FBIS DAILY REPORT

CONTENTS

Latin America

Vol VI No 87 *4 May 1978*

ARGENTINA

Chilean DC-6 Forced Down for Airspace Violation	B 1	1/A6
Press Reacts to Junta's Appointment of Videla	B 1	1/A6
HERALD, LA NACION Approve	B 1	1/A6
Other Reaction	B 2	1/A7
Harguindeguy Reviews Government's Goals in Speech	B 3	1/A8
Harguindeguy Addresses German Businessmen	B 3	1/A8
Economy Ministry Developing 'Deindex' Plans	B 4	1/A9
Finance Secretary Seeks Stiffer Monetary Policy	B 5	1/A10
Army Calls for Gradual Wage Increases [HERALD 2 May]	B 5	1/A10
CNEA's Castro Madero Returns From U.S. Visit	B 6	1/A11
CNEA Leader Discusses Plans for New Plant	B 6	1/A11
FRG Supplier Favored	B 7	1/A12
Appeal by Mrs Peron's Lawyer Denied	B 7	1/A12
Peruvian Air Force Chief Begins Visit	B 7	1/A12

BOLIVIA

35 Arrested May Day Demonstrators Freed	C 1	1/A13
Claim of 3 Arrests	C 1	1/A13
Protests Over Arrests	C 1	1/A13
Jimenez Gallo Says University Responsible for Reopening	C 2	1/A14
Rival Political Factions Take Claims to Electoral Court	C 3	1/B1
Paz Estenssoro Expected To Return for MNR Congress	C 4	1/B2
Siles Salinas Sets Conditions for Candidacy	C 4	1/B2

BRAZIL

Geisel Reportedly Approves Habeas Corpus Renewal [O GLOBO 3 May]	D 1	1/B3
Geisel Submits Bill on Political Conventions	D 1	1/B3
Spokesman Refutes Rumors on Geisel's Health	D 1	1/B3
Government Denies Plans for Reforms To Block MDB Victory	D 1	1/B3
Figueiredo To Participate in Election Campaign	D 2	1/B4
Senator Vilela Pessimistic About ARENA's Election Chances	D 2	1/B4
Magalhaes Pinto Would Support MDB Candidate	D 2	1/B4
General Abreu Rumored as Possible MDB Candidate	D 2	1/B4
Minister Backs Worker-Employer Wage Pacts	D 3	1/B5
Judge Refuses Demands of Itamaraca Prisoners	D 3	1/B5
Parana Suffering Worst Drought in 40 Years	D 3	1/B5
Briefs: Soybean Exports Suspended	D 3	1/B5

CHILE

Pinochet Congratulates Videla on Presidential Appointment	E 1	1/B6
Foreign Ministry Explains Violation of Argentine Airspace	E 1	1/B6

Trial Set for 10 Arrested on May Day	E 1	1/B6
Briefs: Labor Union Requests	E 1	1/B6

COLOMBIA

President Lopez Michelsen Appoints New Labor Minister	F 1	1/B7
Pernia Rejects Participating in Electoral Commission [EL SIGLO 27 Apr]	F 1	1/B7
Important Oil Deposits Discovered in Central-Western Area	F 1	1/B7
Canal Treaties Seen as Endangering Colombia's Rights [EL SIGLO 27 Apr]	F 2	1/B8

ECUADOR

Duran Ballen Criticizes Decisions of Electoral Tribunal	G 1	1/B9
Labor Minister Opposes General Wage Increase	G 1	1/B9

PARAGUAY

State of Siege Reduced to Asuncion Area by Government	H 1	1/B10
Ruling Faulted [ULTIMA HORA 3 May]	H 1	1/B10
Briefs: Naval Aide; Anticommunist Delegation; Drilling for Uranium	H 1	1/B10

PERU

Chilean-Peruvian Commission Opens Third Session in Lima	J 1	1/B11
Chilean Official's Comments Reported	J 1	1/B11
Chile, Bolivia Invited to 4th Tripartite Military Meeting	J 1	1/B11
Agreement Reached With Belgium on New Cooperation Program	J 2	1/B12
Foreign Minister To Discuss Payments Problems With IMF	J 2	1/B12
Armed Forces, Foreign Ministry Deny Squandering Funds [EL COMERCIO 28 Apr]	J 2	1/B12
Communist Party Leader Warns About Possible Coup Attempt [EXPRESO 27 Apr]	J 3	1/B13
Leonidas Rodriguez Discusses PSR Electoral Policy [EL COMERCIO 28 Apr]	J 4	1/B14
Briefs: Decrease in 1977 GNP	J 4	1/B14

VENEZUELA

Government To Ratify Nuclear Proscription Agreement [EL NACIONAL 28 Apr]	L 1	1/C1
AD Presidential Candidate Views Farming Problems	L 1	1/C1

MEXICO

Political Leaders Deny USSR Sponsored 1972 Coup Attempt	M 1	1/C2
Foreign Secretariat on Safe-Conduct for Campora	M 1	1/C2
Press Reports on Futility of IMF Meeting	M 2	1/C3
Briefs: Petrobonds Sale; Steel Production To Increase	M 2	1/C3

PANAMA

Torrijos Meets Leader of POLISARIO Front Delegation N 1 1/C4
Republican Party Issues Communique on Return to Democracy N 1 1/C4
Radio Mia Denounces Cuban Presence in Panama's Rural Areas N 2 1/C5
Briefs: Increased Nontraditional Exports N 2 1/C5

CENTRAL AMERICA

COSTA RICA

Foreign Minister Announces Withdrawal From CIAT P 1 1/C6
Security Minister To Assume Bank Security Job P 1 1/C6
Briefs: Argentine Credit; Romania Studies Bauxite Exploitation P 1 1/C6

EL SALVADOR

Sale of Coffee Abroad Reinitiated 1 May P 1 1/C6
FECCAS, UTC Seek Relief From ORDEN Threats P 2 1/C7

GUATEMALA

Clandestine Group 'Z' Makes Appearance P 2 1/C7

HONDURAS

Ministry Cancels Travel to El Salvador P 2 1/C7
[SULA TIENPO 25 Apr]

NICARAGUA

Nicaraguan Democratic Movement Issues Manifesto P 3 1/C8
NOVEDADES Deplores 'Intransigence' of Somoza Opponents [28 Apr] P 4 1/C9
Labor Unions Threaten Strike After May Day Arrests P 5 1/C10

CUBA

Continued Reportage on Iraqi Vice President, Delegation Q 1 1/C11
Castro Receives Ma'ruf Q 1 1/C11
INA Report on Talks Q 1 1/C11
Foreign Ministers Sign Agreement Q 2 1/C12
Iraqi Minister Quoted Q 2 1/C12
Cuban Envoy Meets With Afghan Leader Q 3 1/C13
Rafael Rodriguez Receives Mexican Official Q 3 1/C13
Havana Commentary Scores Brazilian Regime Q 3 1/C13
National Association of Economists Created Q 4 1/C14
Coaxial Cable Project Inaugurated in Santiago de las Vegas Q 5 1/D1
Briefs: Marti Airport Reconstruction Q 5 1/D1

J 16a 85-B-5 PrEx 710: FBIS-LAT-78-87

FBIS-LAT-78-87
Thursday
4 May 1978
Vol VI No 87

DAILY REPORT

COMPLETED
ORIGINAL

LATIN AMERICA

44

FBIS FOREIGN BROADCAST INFORMATION SERVICE

This publication contains current news and commentary monitored by FBIS from foreign broadcasts, news agency transmissions, newspapers, and periodicals. Items are processed from the first or best available source; it should not be inferred that they have been disseminated only in the medium, in the language, or to the area indicated. Items from foreign-language sources are translated by FBIS. Those from English-language sources are transcribed, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [ ] are supplied by FBIS. Labels such as [Text] or [Excerpts] in the first line of each item indicate how FBIS processed the information from the original. Names rendered phonetically or in transliteration are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clearly heard but have been supplied as appropriate to the context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by the source.

Users of this publication may cite FBIS provided they do so in a manner clearly identifying it as the secondary source. For example: "FBIS reports that Radio Moscow announced . . ." or "FBIS has monitored a broadcast from Hanoi which says . . ."

This is a U.S. Government publication. Its contents in no way represent the policies, views, or attitudes of the U.S. Government.

CHILEAN DC-6 FORCED DOWN FOR AIRSPACE VIOLATION

PY032224Y Buenos Aires NOTICIAS ARGENTINAS in Spanish 2210 GMT 3 May 78 PY

[Text] Buenos Aires, 3 May--A Chilean-registered plane was intercepted this morning by navy planes and forced to land for violating airspace restricted to the Punta India naval airbase. According to the Argentine Foreign Ministry, the incident took place at 1150 and the plane that was intercepted was identified as a DC-6 with an LL-CED registration.

The official report does not give any further details. It just adds that the appropriate authorities are carrying out the necessary investigation.

PRESS REACTS TO JUNTA'S APPOINTMENT OF VIDELA

HERALD, LA NACION Approve

PY031425Y Paris AFP in Spanish 1246 GMT 3 May 78 PY

[Text] Buenos Aires, 3 May--The Argentine press comments approvingly today on the military junta decision to appoint Lt Gen Jorge Rafael Videla president for another term beginning in August.

Reporting on that resolution, the liberal newspaper LA NACION says that the exceptional situation in which the same person holds the nation's presidency and the post of army general commander at the same time will come to an end on 1 August.

LA NACION adds that the designation of Videla, who will retire from the army to head the government for the term which began on 29 March 1978 and will end on 29 March 1981, insures continuity of an administration which began on 29 March 1976 and which thus will have a 5-year duration. The same newspaper says that during the past 2 years Videla's administration can be characterized as having made "steady progress without bombast or easy-to-make promises."

LA NACION continues by saying that the last months of this 2-year period were marked by "a conflict over the Beagle Channel, which has now entered a stage of negotiations, the results of which are still pending, and a review of the power scheme, which was finally resolved yesterday."

The newspaper then says that those two problems "have caused a delay in the preparation of the armed forces' political proposal to the country, aiming at the final goal of returning to a democratic regime after the armed forces have fulfilled their basic objectives. "Now that the power scheme has been determined and pending questions are moving toward their solution, both the executive branch and the military junta will devote time to preparation of the political proposal which is to be finally approved by the junta before it is revealed to the nation, probably before the end of this year."

The English-language Buenos Aires HERALD, in turn, carries an editorial pointing out that "weeks of unnecessary tension and months of interesting but superfluous speculation came to an end with the announcement of Videla's designation to succeed himself in the presidency for 3 years beginning in August." The HERALD asserts that, beginning 1 August, General Videla "must count on the total support of the commanders of the three armed forces branches," so that a firm position in the presidency will allow him "to tackle problems which he apparently could not before because of the complicated government structure."

Other Reaction

FY031520Y Buenos Aires TELAM in Spanish 1350 GMT 3 May 78 FY

[Text] Buenos Aires, 3 May--The main headlines of the morning newspapers of this capital today report on the appointment by the military junta of Lt Gen Jorge Rafael Videla as president of the nation.

LA OPINION stated: "An exceptional period has come to an end. A new stage begins. The armed forces have taken an important step in the process of national reorganization. It was taken under the conditions wanted by General Videla, as a result of the total cohesion of the armed forces." It added: "There is no doubt that the current commander in chief of the army will take over the presidency with greater power than he now has. There is general agreement that General Videla will assume his office with almost all the prerogatives of a constitutional president. Of course, there is one thing he will not have: The Supreme Council of the Armed Forces will stay with the military junta."

CLARIN, under the headline "Videla Will Be President Until March 1981," pointed out that the decision adopted by the junta, although the official communique does not say so, is also a ratification of the opinion of the major generals of the army and air force and the vice admirals who met Friday and Saturday to discuss this matter which was the exclusive responsibility of the military junta, as it was appropriately stated.

CLARIN also stated: "The agreement on the appointment of General Videla to continue in the presidency was unofficially reported several days ago, and with regard to extensions of the presidency to 3 years, this had been agreed previously."

The same newspaper also stated that, according to reliable sources, from now until 15 July the secretaries general of the three armed forces commands will have the delicate task of coordinating the new relationship--at the military level--between President Videla and members of the military junta.

According to CLARIN, this is based on the fact that under the constitution the chief of state is commander in chief of the three armed forces--a responsibility which--due to the special circumstances of current government structure--must be redefined by the three chiefs of staff.

CLARIN also stated that the military is aware that the second period--which will involve changes in the rights of the executive branch and in its relationship with the military junta--also involves replacing cabinet ministers and provincial leaders. It is still premature to give names because the appointments must be tailored to the needs emerging after the power structure has been completely clarified.

EL CRONISTA COMERCIAL, in a six-column article under the title "Videla President Until 1981," reported the appointment of the president and noted that the new presidential term will last from 29 March 1978 to 29 March 1981.

LA PRENSA, in a five-column lead article entitled: "Videla President Until 1981," stated: The military junta unanimously decided yesterday to end this exceptional period on 1 August 1978 and to appoint General Videla president for the term from 29 March 1978 to 29 March 1981, beginning on 1 August 1978 as a retired officer after he is replaced as commander in chief of the army. It is also stated that a decision was made to complete a study and issue a proposal before 15 July 1978 regarding the functions of the power structure included in the basic documents of the process of national reorganization.

HARGUINDEGUY REVIEWS GOVERNMENT'S GOALS IN SPEECH

PY0400037Y Buenos Aires TELAM in Spanish 1600 GMT 3 May 78 PY

[Excerpts] Buenos Aires, 3 May--"The armed forces are at this very moment adjusting and consolidating the upper power structure in order to make, under the best possible conditions, the important changes which will undoubtedly guide, through a long and difficult process, the progress of Argentina toward the goal we all hope for."

These remarks were made by Interior Minister Albano Eduardo Harguindeguy today at the inauguration of the fifth congress of police chiefs of the country, which will be held in the Superior Police School until next Friday.

The minister said: "In this long and difficult process, in which we are committed to success, every element of the nation must keep on changing, adjusting itself in order to gradually and harmoniously play its part, consistent with the objectives of the process of national reorganization. This is a readjustment which must involve everyone. There is no room for sectorial or egocentric points of view which are always distorting reality. On the contrary, it is necessary to be reasonably subordinated and understanding of the great objectives which we have in mind."

With regard to the constitutional political reorganiztion, the interior minister said that "I believed for many years that we Argentines did not know the basics of constitutional rights, political rights and the juridicial organization of the state in general. This is a vacuum which our educational programs have not learned how to fill. This basic knowledge I am referring to is necessary in order to envision the environment in which institutions evolve, within which the country either progresses or stagnates throughout its history. It even serves as a guideline on how to behave as simple citizens."

HARGUINDEGUY ADDRESSES GERMAN BUSINESSMEN

PY031358Y Buenos Aires TELAM in Spanish 0710 GMT 3 May 78 PY

[Excerpt] Buenos Aires, 3 May--Interior Minister Albano Eduardo Harguindeguy has stated that in any democracy power stems from the people and that in the particular case of today's Argentina, power lies with the armed forces, which are well represented by the military junta.

General Harguindeguy, who spoke during a luncheon offered by Economy Minister Jose Alfredo Martinez de Hoz for 19 members of an FRG industrial federation, also stated: "I can practically assure you that before you return to Germany you will be sure about the appointment of the Argentine president. I must also state that the political and economic process will continue without interruptions."

He added that the government thoroughly understands the importance of political stability and of steady implementation of economic plans and that the economic, social and political issues are closely entwined and reciprocally linked, in such a way that they make up an indivisible whole called politics with a capital P.

He later mentioned achievements in security matters. He said: "I see that in Europe they are having problems with international terrorism, problems which we have experienced and overcome. Today we can walk the streets of Buenos Aires without any problem."

He also maintained that Argentina is a country where the idea of freedom is deeply rooted and he emphasized the achievements which have led to social security. He concluded by insisting that the policy and the economic process which the armed forces have imposed upon themselves will continue.

ECONOMY MINISTER DEVELOPING 'DEINDEX' PLANS

PY282030Y Buenos Aires NOTICIAS ARGENTINAS in Spanish 0056 GMT 28 Apr 78 PY

[Excerpts] Buenos Aires, 27 Apr--It was learned today from Economy Ministry sources that all branches of the Economy Ministry have started working on a plan to "deindex" the economy. This plan, a new undertaking to curb inflation, is particularly aimed at combating the so-called "inflation of costs," on the basis that the public sector, as a generator of price increases, is already controlled through monetary issuance. Therefore, the basic points of this plan involve other factors, such as periodic tariff readjustments and the financial market situation, which indirectly affect the behavior of prices when there is an increase in costs.

The decision to carry out this study in all Economy Ministry secretariats, government enterprises, and any organization that is part of the Economy Ministry was taken yesterday during the meeting of the economic cabinet which was then labeled "the cabinet of prices."

It must be recalled that Economy Minister Martinez de Hoz held a meeting in his office yesterday with Juan T. Alemann, finance secretary; Alejandro Manuel Estrada, secretary of commerce and international economic negotiations; and Guillermo Walter Klein, secretary of programming and economic coordination. Also present at the meeting were high-ranking Central Bank officials, led by Central Bank President Adolfo Diz.

Although there was an apparent curb in inflation in February, the 9.5-percent March hike in retail prices took everyone by surprise. It is known that as a result of this the economic leadership adopted several tariff measures to put a ceiling on domestic prices and thus expose national products to competition of foreign products. Official sources admitted, however, that this can't be continued indefinitely since it is well known that tariffs are a tool used for economic policy and not for price policy.

But these events had to be taken into account with other facts. High-ranking officials were aware that while there was a treasury deficit in February, there was a 6.2-percent inflation rate; in March, however, there was a surplus in public finance but there was a 9.5-percent hike in inflation.

This results in the need to look for other economic factors which affect the so-called "inflation of costs." It is understood that guidelines outlined during the present year for the management of public administration, and that sector's subsequent behavior, restricted the impact of government as an inflationary factor by reducing the need for monetary issuance to finance a budget deficit.

It is believed that the other factors which affect cost inflation originate from the indexation of a series of economic resources, such as tariffs and the evolution of the financial market.

Although it is obvious on immediate analysis that the factors which were detailed do produce cost inflation, Economy Ministry sources acknowledged that it will not be easy to achieve "deindexation" of the economy.

This is because if the system of periodic tariff readjustments is discarded, the treasury will have to help government enterprises cover their operation costs and continue their established expansion projects, particularly in the areas of communications and energy. If the treasury must cover all errors of government enterprises, it must resort to Central Bank issuances to balance the budget. If it has to do the same with the financial market, it will be no less difficult to avoid a renewed flight of capital from banks to secure investments such as [foreign] currency and real estate, thus curtailing the amount of money available to financial entities and its availability to meet credit demands.

FINANCE SECRETARY SEEKS STIFFER MONETARY POLICY

PY2917007Y Buenos Aires Domestic Service in Spanish 1030 GMT 29 Apr 78 PY

[Text] In a statement to the press, Finance Secretry Juan Alemann has said that one action which should be taken to break the vicious cycle involving increase of prices, salaries and tariffs is to institute a stiffer monetary policy. If there is no demand, businessmen cannot increase their prices, he said.

Alemann said: The economy minister referred to the problem in his last press conference. When he spoke about indexes, what he was really saying was that the indexes were speeding up the inflationary process, what might be called refuelling. He explained that deindexing is basically a change of attitude among all businessmen, because when it is announced that prices will increase, nobody wants to remain behind. Therefore, he said, there is a kind of automatic price increase, apart from the fact that demand or costs may increase. This is the pattern of general indexing.

He added: What the state does is try to see when we should start indexing. This was an apparent reference to all those carrying a credit or a debt--that is, an index is applied so that the value of a transaction, which occurs over a limited period, is stabilized.

This is correct, he then stressed, and nobody is talking about deindexing if a number of current prices are indexed at the same time. They indexed the exchange rate, which is the price of foreign currencies, and they indexed tariffs, and then they even indexed salaries, and in step with this all costs have gone up.

The finance secretary then stated his opinion that prices should be increased as certain services increase their costs. He then said: What occurs, however, is that an increase involves everything to the same degree, and then the price of the product is indexed, and that is wrong. He concluded by stating his confidence that: inflation will be overcome, although we will still have to wait for this for some time. He said: We will first have to travel a really difficult road.

ARMY CALLS FOR GRADUAL WAGE INCREASES

PY0217O7Y Buenos Aires HERALD in English 2 May 78 p 1 PY

[Text] It is time to start working on the improvement of pay packets for vast sectors of the population, the army Sunday morning radio editorial said the day before yesterday.

But, said the editorial, keyed to Labour Day (yesterday), the effort carried out "must not be dilapidated" and therefore the improvement must be gradual.

It added that the road is still long, will no doubt be tiring, and that the effort must continue, if we are to fulfil our vocation for grandeur.

The editorial referred to the need for development in many areas of industry and said that it was necessary to "take into consideration" the potential contribution by international corporations.

"(These corporations) are a reality of the present," the editorial said.

CNEA'S CASTRO MADERO RETURNS FROM U.S. VISIT

PY020334Y Buenos Aires NOTICIAS ARGENTINAS in Spanish 2010 GMT 1 May 78 PY

[Text] Buenos Aires, 1 May--Rear Adm Carlos Castro Madero, president of the National Atomic Energy Commission [CNEA], returned from the United States today. He arrived on an Argentine Airlines flight which landed at Ezeiza airport at 0930. Argentine Ambassador in Washington Jorge Aja Espil also arrived on the same flight.

CNEA LEADER DISCUSSES PLANS FOR NEW PLANT

PY031901Y Buenos Aires NOTICIAS ARGENTINAS in Spanish 1319 GMT 3 May 78 PY

[Text] Buenos Aires, 3 May--Rear Adm Carlos Castro Madero, president of the National Atomic Energy Commission [CNEA], stated today that the third Argentine nuclear plant, Atucha II, may begin operations in 1986 and that it will generate up to 600 MW of power.

In a statement made during the "Two in the News" program broadcast over Radio Continental in Buenos Aires, Castro Madero recalled that the executive branch has authorized preparation of a plan for construction of the third nuclear plant, "which we call Atucha II."

He indicated that CNEA is preparing the plan "and has outlined the cooperation of the two countries in a position to install plants in Argentina on the basis of natural uranium and heavy water--Canada and the FRG." In this regard, he emphasized that "if, for example, the FRG were to present a proposal and if it were to be approved, a plan for cooperation could be implemented in such a way as to allow appropriate participation by national industry, Argentine engineering, and Argentine human resources."

He indicated that CNEA will follow "the philosophy behind all the contracts and agreements which it has reached with these countries--in other words, obtain the maximum of technology for our own development."

In reply to a question, Castro Madero stated that, considering the time which is now required to build nuclear plants, Atucha II might be completed and begin operations by 1986 at a location near the other plant (Atucha).

He explained that the location "is the reason for the name of the project," which he indicated "will supply electricity to the Gran Litoral-Buenos Aires system."

Regarding the capacity of the new plant, the CNEA president stated that "the power standard has been established at 600 MW, so the electricity generated by Atucha II will be of that order."

He then indicated that all negotiations for "this large project" must be carefully studied since "we have to review the possibilities offered by Canadian cooperation, compare them, and then decide which solution is best for Argentina."

He concluded by denying that he had any trip scheduled to Europe and he emphasized that "we have the agreement with Peru underway, so CNEA is busily engaged in cooperation with southern cone countries."

FRG Supplier Favored

PY291431Y Buenos Aires TELAM in Spanish 1300 GMT 29 Apr 78 PY

[Text] Bonn, 29 Apr--The FRG will set up, possibly this year, a new nuclear plant with a 600-MW capacity in the Atucha area of Argentina. The German firm Kraftwerk Union (KWU) is negotiating the agreement with the National Atomic Energy Commission (CNEA). The nuclear plant, which will include a heavy water reactor fed with natural uranium, will cost DM1.2 billion ($600 million). The same firm set up the first nuclear plant in Atucha--the first one of its kind to be built in Latin America--with a 340-MW capacity in 1968.

The CNEA had originally planned to have the Atucha II plant constructed by a Canadian firm, but, according to reports from the FRG, the company is no longer accepting contracts. Therefore, Germany's KWU is considered to be the favorite for the plant's construction. CNEA decided to set up this type of nuclear plant--fed with natural uranium --to avoid dependence on countries which have the technology to enrich uranium, such as the United States, since Argentina already possesses the natural uranium necessary for the plant.

APPEAL BY MRS PERON'S LAWYER DENIED

PY031838Y Buenos Aires TELAM in Spanish 1440 GMT 3 May 78 PY

[Excerpt] Buenos Aires, 3 May--Federal judge Rafael Sarmiento has flatly rejected an appeal for nullification presented by Julio Isaac Arriola, defense counsel for Maria Estela Martinez de Peron in the case in which irregularities in the management of presidential reserve funds are being investigated. The judge has imposed costs on lawyer Arriola for irregular procedure and for ignoring Articles 180 and 443 of the code of criminal procedure.

PERUVIAN AIR FORCE CHIEF BRINGS VISIT

PY040237Y Buenos Aires TELAM in Spanish 2225 GMT 3 May 78 PY

[Text] Buenos Aires, 3 May--Lt Gen Luis Galindo Chapman, chief of staff of the Peruvian Air Force, arrived here this afternoon on an official visit at the invitation of the Argentine Air Force. Upon his arrival at Buenos Aires metropolitan airport, he was received by Brig Gen Omar Domingo Ruben Graffigna, chief of staff of the Argentine Air Force; high-ranking members of the air force; and Col Julio Cesar Poccioni, chief of the military Aeroparque airbase. The distinguished visitor has a heavy agenda of activities for the week, including protocol visits, ceremonies, and visits to the 2d and 8th Air Brigades.

35 ARRESTED MAY [illegible]

PY031920Y Paris AFP in Spanish 1458 GMT 3 May 78 PY

[Text] La Paz, 3 May--Some 35 people detained on 1 May and charged with antigovernment propaganda activities were released last night. The released activists stated that they were set free after being identified and questioned. "We were treated well," one of them said.

Claim of 3 Arrests

PY040124Y La Paz Radio Cruz del Sur Network in Spanish 2330 GMT 3 May 78 PY

[Text] The Interior Ministry reported that only 3 persons were arrested as opposed to the 36 recently alleged by university leaders and others. In a communique issued today, the Interior Ministry says that those arrested were (Javier Uriarte), (Eduardo Paz Rada) and (Fernando Alvarez Plata), who are considered common criminals and not political (?prisoners).

The Interior Ministry made it clear that these three persons were arrested for violating existing laws and not for attending the May Day march. The communique further states that the violation of laws and the lack of respect for authority and for peaceful coexistence are intended only to interfere with the present democratic process, while seeking violence and anarchy as means to oppose the country's constitutionalization and the people's participation in the government.

The Interior Ministry document states that a group of terrorists robbed a distributing agency of Government Oil Deposits in Cunata, Cochabamba, last week and stole 18,000 Bolivian pesos.

It also adds that a group of politicians are planning violent acts against society's safety. The communique warns that government authorities will strictly apply all the measures allowed by law in order to preserve society's peace and safety.

Protests Over Arrests

PY030336Y La Paz Radio Cruz del Sur Network in Spanish 2330 GMT 2 May 78 PY

[Text] Union and political sectors today criticized the government for the arrest of 35 students, whose arrest was believed to have been ordered last Friday after the indefinite closure of the country's main university.

Union, political and student leaders today protested the arrest of the 35 students, whose names have not yet been released by their relatives or the appropriate organizations.

It has been reported that the arrest of the students, which was neither confirmed nor denied by the government, was made on Friday, when police seized the Greater San Andres University [UMSA] a few hours before the government ordered its closure in view of growing student unrest.

It has been reported that more arrests were made during labor meetings held yesterday on the occasion of Labor Day and during demonstrations staged by students since Friday.

Although the Interior Ministry has not yet answered these charges, sources of the Bolivian Human Rights Commission reported that there was evidence that many arrests had been made but that it has not yet been possible to prepare a complete list of missing persons, who were presumably arrested by security organizations.

Hundreds of young people today noisily paraded in downtown La Paz streets demanding the release of the arrested students and the reopening of the university. The student demonstrations were staged without incident but were held under strict police control from a prudent distance.

The arrest of the students elicited unanimous condemnation today from political opposition leaders and union leaders who denounced the disruption of the alleged climate of guarantees established in the country simultaneously with the electoral process.

The secretary general of the [name indistinct] demanded the immediate release of the students and challenged the government to demonstrate its respect for individual rights. Juan Lechin Oquendo said: The current problem is to determine whether there is freedom and respect for individual rights in the country. Personally, I believe that there is no freedom.

The Human Rights Assembly today asked the government for the immediate release of students arrested by state security organizations. It also reports that it has filed a habeas corpus petition on behalf of students arrested in recent hours.

Speaking on behalf of the Human Rights Assembly, Father (Julio Tumidi) said that while the government claims that there are democratic freedoms in the country, its security organizations are again making arrests, which are indicative of future repressive actions. (Tumidi) condemned the arrest of the students and reported that the assembly has filed a habeas corpus petition.

The Mineworkers Federation of Bolivia has condemned the arrest of the 36 [as heard] students in a press communique. The chief mining organization states that the arrest of university students by state security organizations disproves altogether the government's contentions that constitutional rights of the citizens are guaranteed.

In a communique released today, the UMSA Interfaculty Committee demanded the reopening of UMSA, the release of the students under arrest and the end of repression. The document charges that 36 students were arrested yesterday, adding that many of them are university students who had just returned from exile. It states that the government has remained silent regarding mishandling and arbitrary utilization of university (?funds) by "former academic officials."

JIMENEZ GALLO SAYS UNIVERSITY RESPONSIBLE FOR REOPENING

PY040208Y La Paz Radio Panamericana Network in Spanish 0000 GMT 4 May 78 PY

[Text] Interior Minister Guillermo Jimenez Gallo has stated that the reopening of San Andres University is in the hands of Superior National Education Council authorities and in the hands of San Andres University authorities themselves.

He therefore denied that the reopening of the La Paz university is the responsibility of the government. He rejected this possibility because the academic process must answer to the plans enforced by the appropriate authorities.

He added, nevertheless, that the conditions for solving the problem will be directly related to the university's reopening. He stated that the reopening of the university will take place after completion of repairs, which amount to more than 1 million Bolivian pesos.

University officials noted, however, that any measure regarding this issue must be taken by the government because the closing of the university was decided at this same level.

RIVAL POLITICAL FACTIONS TAKE CLAIMS TO ELECTORAL COURT

PY030224Y La Paz Radio Cruz del Sur Network in Spanish 2330 GMT 2 May 78 PY

[Text] A political event took place today in a courtroom of the National Electoral Court. At 1530 acting president of the court (Marcelo Cespedes), accompanied by other members of the court, opened a public hearing which was attended by the head of the Bolivian Socialist Falange [FSB], Mario Gutierrez, and by Augusto Mendizabal, a lawyer representing the FSB faction led by Gaston Moreira.

The hearing was related to a petition made by the Gutierrez group to have the court disallow the Gaston Moreira faction, whom Gutierrez charged with having usurped the name of the FSB, which was founded by (Oscar Unzaga de la Vega) 41 years ago.

The legal grounds on which Gutierrez and his lawyer, (Fernando Mompaco), based their petition are those governing the use of identical names [comonimia]. In short, Gutierrez asked the court to turn down the petition for registry submitted by the Moreira group, which decided to endorse General Pereda's candidacy.

After confirming that the alleged FSB rally held on 24 April was organized and sponsored with funds provided by the Interior Ministry, Gutierrez said: No person or group can usurp the FSB name, much less traitors. Gutierrez added: One cannot become FSB leader through the Interior Ministry's support.

Mendizabal had to leave the hearing after receiving a telephone call from Moreira. At 1700, Mendizabal and Moreira and other leaders attended the second public hearing which was designed to hear the accused party, which thus presented its defense. Moreira rejected the charges of treason and, instead, charged Gutierrez with having betrayed the nation, the FSB and the legacy of the FSB founder, (Oscar Unzaga de la Vega). Moreira said that he was heading the FSB group due to a democratic decision of a rally attended by 1,500 delegates from all over the nation. Mendizabal said that the FSB rally which endorsed Pereda's candidacy for the next presidential election was attended by 10,000 members of the FSB. Therefore, he said, the FSB group led by Moreira was genuine and it had no links with the Christian Democratic Group supporting Gutierrez.

To support the claims of Moreira's FSB group, Mendizabal cited as an example the legal recognition granted to the leftist FSB group, to factions of the National Revolutionary Movement [MNR], to several Revolutionary Workers Party groups, which--if Gutierrez's idea was to prevail--should also be disallowed.

The two hearings held this afternoon were attended by members of both FSB groups. The hearing attended by Gutierrez was recorded by a member of Moreira's group. Thus, Moreira and his supporters were able to answer the charges made by Gutierrez.

(Marcelo Cespedes), president of the National Electoral Court, said that a decision on the FSB conflict will be announced within 48 hours.

The right to use party names has become a serious problem for the National Electoral Court, which has to solve other, similar cases which have been raised in recent days, such as the claim made by the traditional faction of the MNR and by the Socialist Party led by Marcelo Quiroga Santa Cruz, who filed a petition before the court asking that the request made by Guillermo Aponte Burela for registry of the Socialist Party be rejected.

The National Electoral Court will have to decide on these cases--the most serious one being that of the MNR, which has five groups--in the next few days.

PAZ ESTENSSORO EXPECTED TO RETURN FOR MNR CONGRESS

PY031800Y La Paz Radio Fides in Spanish 1130 GMT 3 May 78 PY

[Text] The Priest Lenidas Sanchez has announced to the "Primera Edicion" news program of Radio Fides that Victor Paz Estenssoro, chief of his party, will arrive within 13 days. News about Paz Estenssoro's return has become somewhat like the tale of the shepherd crying wolf, but this time it seems to be true.

Sanchez stated that Paz will attend the special national congress of the National Revolutionary Movement [MNR], known as the "historic" MNR. The congress will open on 22 May, and according to reports available to Sanchez, Paz will arrive between 13 and 16 May. He said that the exact day has not yet been fixed, but it should be set at a time when MNR members can give him a warm welcome. He said that Paz will preside over the congress and lead his party, as is particularly necessary during the present democratic process in the country.

Father Sanchez also reported that his party and the Authentic Revolutionary Party [PRA] are still negotiating with the National Revolutionary Movement of the Left [MNRI], headed by former President and presdent candidate Hernan Siles Zuazo. He said that both Walter Guevara's PRA and the MNR expect to reach an agreement with the MNRI.

He added: After that we will talk with the Democratic and Popular Unity Front.

SILES SALINAS SETS CONDITIONS FOR CANDIDACY

PY032202Y Paris AFP in Spanish 1724 GMT 3 May 78 PY

[Text] La Paz, 3 May--Former President Luis Adolfo Siles Salinas told AFP today that he will agree to become a candidate in the upcoming Bolivian general elections only "if there is complete unity among opposition political forces."

Siles Salinas was nominated presidential candidate last night by the Social Democratic Party, currently an opposition political party.

Official government candidate Gen Juan Pereda Asbun, the Christian Democrat Rene Bernal and the leftist Hernan Siles Zuazo are the only candidates so far for the next 9 July general elections.

GEISEL REPORTEDLY APPROVES HABEAS CORPUS RENEWAL

PY032217Y Rio De Janeiro O GLOBO in Portuguese 3 May 78 p 1 PY

[Text] Two of the political reform proposals which will be sent this month to the Congress have already been approved by President Geisel: the reestablishment of "habeas corpus" for those accused of crimes violating the national security law (with the continued exception of terrorists) and guarantees for magistrates. According to high-ranking sources in ARENA [National Renewal Alliance], the two points have been endorsed by General Joao Baptista de Figueiredo. During the first days of next week, Senator Petronio Portella, coordinator of the political dialog, should be called to Planalto Palace to examine the fundamental purpose of the reforms: the substitution of Institutional Act No 5 [AI-5] by efficient safeguards. It was reported that the government does not believe that the proposal made by jurist Alfonso Arinos to substitute AI-5 with a state of siege is feasible. ARENA sources confirmed their concern with what they call "hopes beyond reality"--that is, the hope that these reforms will practically conclude the institutionalization process. In reality, they said they will by "the most important steps taken toward that goal by the Geisel government, but always in keeping with its strategy of slow and gradual political relaxation."

GEISEL SUBMITS BILL ON POLITICAL CONVENTIONS

PY031749Y Aparecida Radio Aparecida in Portuguese 1430 GMT 3 May 78 PY

[Text] President Geisel has submitted to Congress for its consideration on a priority basis a bill with provisions for party conventions leading to direct and indirect elections to be held this year. The bill stipulates that candidates must be presented by at least 10 percent of the delegates or by the party regional executive board and that the convention will vote on candidates on the same ticket in separate ballotings.

SPOKESMAN REFUTES RUMORS ON GEISEL'S HEALTH

PY031927Y Buenos Aires TELAM in Spanish 1511 GMT 3 May 78 PY

[Text] Brasilia, 3 May--Col Ruben Ludwig, official spokesman of the presidency, stated today that the pessimistic speculation in Brazilia last weekend regarding President Ernesto Geisel's health was completely groundless. According to Colonel Ludwig, the strongest evidence that the president is in the best of health is the busy schedule he had on 1 May. The rumors had indicated that President Geisel spent the weekend under observation by a cardiologist and a neurologist.

GOVERNMENT DENIES PLANS FOR REFORMS TO BLOCK MDB VICTORY

PY031843Y Florianopolis Radio Diario da Manha in Portuguese 1515 GMT 3 May 78 PY

[Text] Planalto Palace sources have denied that the government is preparing a new political reform package aimed at blocking an MDB [Brazilian Democratic Movement] victory in the coming elections. Although government leader Jose Bonifacio said that the rules of the political game will not change, MDB Deputy Jorge Ferraz has noted that there is uneasiness over the possibility that a new package may be approved by Planalto Palace to guarantee a National Renewal Alliance majority in parliament.

FIGUEIREDO TO PARTICIPATE IN ELECTION CAMPAIGN

PY031317Y Sao Paulo Cadeia Verde Amarela in Portuguese 1000 GMT 3 May 78 PY

[Text] Senate ARENA [National Renewal Alliance] leader Eurico Rezende confirmed yesterday that Gen Joao Baptista de Figueiredo will participate in the election campaign, visiting the states where his presence will have the most impact, but only after state conventions have taken place. The program of visits will be coordinated by the ARENA national directorate with regional directorates.

General Figueiredo's cabinet chief, Gen Danilo Venturini, said yesterday that General Figueiredo may leave the National Intelligence Service next month, although neither his successor nor the location of his office as presidential candidate have been chosen.

SENATOR VILELA PESSIMISTIC ABOUT ARENA'S ELECTION CHANCES

PY031755Y Aparecida Radio Aparecida in Portuguese 1430 GMT 3 May 78 PY

[Text] Senator Teotonio Vilela, National Renewal Alliance [ARENA]-Alagoas, has said that it will not be easy for ARENA to win the coming elections. The government (?made the mistake) of tying the process of political relaxation to an ARENA victory. Vilela believes that ARENA began to crumble last year as a result of actions taken by the government, and now the situation has become even worse with the process of appointing state governors, which created strong resentment among those who were left out. Vilela said he is pessimistic about ARENA's connection with the government because the party no longer functions as a forum for messages to the nation.

MAGALHAES PINTO WOULD SUPPORT MDB CANDIDATE

PY031434Y Sao Paulo Cadeia Verde Amarela in Portuguese 1000 GMT 3 May 78 PY

[Text] Senator Magalhaes Pinto has expressed his inclination to support a nonpartisan military candidate for the presidency under the sponsorship of the Brazilian Democratic Movement [MDB]. This support would be tied to the candidate's commitment to abolish all the exceptional rules and to insure direct election for state governorships.

GENERAL ABREU RUMORED AS POSSIBLE MDB CANDIDATE

PY032155Y Florianopolis Radio Diario da Manha in Portuguese 1515 GMT 3 May 78 PY

[Text] Deputy Jose Bonifacio, government leader in the Chamber of Deputies, has termed a summer dream the MDB's [Brazilian Democratic Movement] chances to nominate a general as its candidate. He said that the opposition will not find a military officer who would accept the nomination.

Yet there are rumors circulating in Sao Paulo that Gen Hugo Abreu, former chief of the military household, could be the MDB candidate for the presidency.

MINISTER BACKS WORKER-EMPLOYER WAGE TALKS

FY031934Y Porto Alegre Radio Gaucha in Portuguese 1545 GMT 3 May 78 FY

[Text] Industry and Commerce Minister Calmon de Sa has said that he is not against direct negotiations between workers and employers, but that the difference between an increased (?salary rate) and the official index must be covered by the employer and not included in the final price of merchandise.

JUDGE REFUSES DEMANDS OF ITAMARACA PRISONERS

FY030355Y Porto Alegre Radio Guaiba in Portuguese 0200 GMT 3 May 78 FY

[Text] In the capital of Pernambuco, the judge advocate of the 7th Military Judicial District tried to be quite clear in stating that he will not make any formal commitment to political prisoners who are serving their sentences at the Barreto Campelo prison in Itamaraca. These prisoners have been on a hunger strike for 16 days.

I am not a vulgar, deceitful person and I have already said that I will solve the problem, but I will not sign or receive anything from mothers of subversive prisoners, said Judge Advocate Bolivar Regis. He added: If they want to stop the strike, I will solve the problem, and if they want to die of hunger, then let them die and go to hell.

Referring to the prisoners' position that they would stop the hunger strike only if the judge formally promises to end the solitary confinement of Carlos Alberto Soares and Rholine Sonda Cavalcanti without leaving any doubts, the advocate concluded: There is no use in talking with the governor, Dom Helder Camara [archbishop of Olinda and Recife] or President Geisel because I am the man who will decide on this problem.

PARANA SUFFERING WORST DROUGHT IN 40 YEARS

FY021758Y Porto Alegre Gaucha in Portuguese 1545 GMT 2 May 78 FY

[Text] The drought affecting the State of Parana is causing the exodus of peasants owning small- and medium-sized farms.

It has been confirmed that the peasants are facing the worst drought in 40 years and the worst economic crisis since the one caused by the floods in 1975. Paraguay is benefiting from this exodus. In 3 years Paraguay has received over 30,000 families who specialized in raising wheat and soybeans.

BRIEFS

SOYBEAN EXPORTS SUSPENDED--Sao Paulo, 25 Apr--Benedito Moreira, director of the foreign trade department of Banco del Brasil, stated here today that Brazilian soybean exports have been suspended for an unspecified period of time in view of the shortages of soybean supplies in the country caused by the drought which hit Brazilian plantations this year. [Paris AFP in Spanish 0343 GMT 26 Apr 78 FY]

PINOCHET CONGRATULATES VIDELA ON PRESIDENTIAL APPOINTMENT

PY031900Y Santiago Chile Domestic Service in Spanish 1730 GMT 3 May 78 PY

[Text of undated telegram from President Augusto Pinochet Ugarte to Argentine President Jorge Rafael Videla]

[Text] In view of your appointment as president of Argentina for the second stage of the military process, I wish to convey to Your Excellency, on behalf of my government, the people of Chile and myself, the warmest and most sincere congratulations and best wishes for the fulfillment of your supreme and noble mission.

FOREIGN MINISTRY EXPLAINS VIOLATION OF ARGENTINE AIRSPACE

PY040107Y Paris AFP in Spanish 0021 GMT 4 May 78 PY

[Communique issued in Santiago, Chile, at 2330 GMT on 3 May by Foreign Ministry]

[Text] A commercial plane belonging to the Copper Industry Airline, which was coming from Uruguay with a cargo of horses which had participated in a horse contest recently held in Uruguay, was forced to land near Punta India airbase by Argentine authorities for having strayed from its established course on its return flight to Chile.

The plane was piloted by civilian pilots and it transported army personnel necessary for the care of the horses.

The error occurred because the crew was not familiar with the route, this being the first time that it was used.

Chilean Ambassador Sergio Onofre Jarpa held a meeting with the Foreign Ministry under secretary to explain these details. This involuntary incident can therefore be considered resolved.

TRIAL SET FOR 10 ARRESTED ON MAY DAY

PY031128Y Santiago Chile Radio Mineria Network in Spanish 1030 GMT 3 May 78 PY

[Text] Santiago--Ten of the 21 persons who were being held under arrest in connection with the incidents which took place on 1 May have been placed at the disposal of the of the Court of Appeals. The order was issued by the intendant of the metropolitan area, Gen Rolando Garay, in line with the internal security law. The persons in question are charged with distributing subversive leaflets at various points in the city. The court has appointed the justices who will investigate the cases. Those arrested are: (Wanda Cuajardo), (Luis Fernandez Mendes Flores), (Patricio Godoy da Silva Otero), (Daniel Jose Palma), (Fernando Silva Verdugo), in addition to five more whose names were not given.

BRIEFS

LABOR UNION REQUESTS--Santiago--The National Textile Workers Union has charged that there are massive dismissals and that some factories are being closed. In view of this, the union requests a meeting with the labor minister, the creation of a tripartite commission having labor representatives chosen by workers, equal benefits, minimum salaries, curtailment of textile imports and modification of the bankruptcy law. [Santiago Chile Radio Mineria Network in Spanish 1030 GMT 26 Apr 78 PY]

PRESIDENT LOPEZ MICHELSEN APPOINTS NEW LABOR MINISTER

PA032132Y Buenos Aires LATIN in Spanish 2050 GMT 3 May 78 PA

[Excerpt] Bogota, 3 May (LATIN)--President Alfonso Lopez Michelsen today appointed Juan Gonzalo Restrepo, a member of the Conservative Party and an economist, as the minister of labor and social security.

Restrepo replaces Oscar Montoya, also a Conservative Party member, who resigned last week to avoid carrying out a presidential order to fire his private secretary, who is involved in a coffee smuggling investigation.

The presidential palace announced the acceptance of Montoya's resignation in the same decree in which it appointed Restrepo as his replacement.

PERNIA REJECTS PARTICIPATING IN ELECTORAL COMMISSION

PA021314Y Bogota EL SIGLO in Spanish 27 Apr 78 p 2 PA

[Text] Julio Cesar Pernia, candidate of the National Popular Alliance [ANAPO], National Opposition Union [UNC] and Movement of the Liberal Left [MIL] leftist coalition, has stated that he disagrees with the idea of delegates of the ANAPO-UNC-MIL coalition participating in the electoral guarantees commission which was originally proposed by national candidate Belisario Betancur.

Pernia has replied in this way to an invitation made by Liberal candidate Julio Cesar Turbay Ayala, who suggested that the top-level commission include not only delegates from the two traditional parties, but from other presidential candidates, mainly Alvaro Valencia Tovar and Julio Cesar Pernia.

Julio Cesar Pernia said that he disagreed with the proposal but noted that such a decision should be made by the top directors of his group.

It was learned from other sources, however, that Gen Alvaro Valencia Tovar did agree with participating in a commission that will guarantee honest elections although it was not immediately revealed if he will appoint his delegates.

The electoral guarantees commission was proposed by national candidate Belisario Betancur and accepted by Liberal candidate Julio Cesar Turbay Ayala, who in turn proposed that it be expanded to include the participation of other political groups.

IMPORTANT OIL DEPOSITS DISCOVERED IN CENTRAL-WESTERN AREA

PA040204Y Paris AFP in Spanish 2338 GMT 3 May 78 PA

[Text] Bogota, 3 May (AFP)--It was officially announced here today that three oil deposits, regarded by the experts as the most important in recent years, have just been discovered in Colombia's central-western region.

The deposits are located in three areas of Caldas Department, and the most important one is in La Victoria.

Exploration will begin shortly.

CANAL TREATIES SEEN AS ENDANGERING COLOMBIA'S RIGHTS

PA021304Y Bogota EL SIGLO in Spanish 27 Apr 78 p 5 PA

[Text] In view of the public's repeated and reasonable protests over the surrendering of Colombian rights in connection with the Panama Canal, the government has released a note from Secretary of State Vance to Minister Lievano which explains the U.S. position that, in accordance with the Panama Canal operations and neutrality treaty, Colombia will continue to exercise the right to transport its troops, ships, war materiel, agricultural and industrial products and mail free of any charges or taxes.

The Colombian Government is being very naive in accepting such a note because Colombia does not need the United States to explain its position on the subject since the position of both states was definitely established in the Urrutia-Thompson treaty of 1914 and can be neither modified nor reduced by any unilateral note from the United States.

Furthermore, that note should be immediately rejected as it unilaterally ignores, reduces and suppresses Colombia's rights as derived from Article No 2, Numerals 2 (second part), 3 and 4 (first and second parts). [as published]

The note is also unacceptable and useless for Colombia since in it only one of the parties connected with the Panama Canal neutrality treaty sets forth its interpretation of a few of its clauses without the other party's consent. What does Panama have to say about all this?

Finally, the U.S. position outlined in that note represents an accomodating interpretation that is contrary to the literal and obvious sense of the respective provision in the Panama Canal neutrality treaty. That treaty says only that the United States and Panama may grant Colombian warships, troops and war materiel the right to transit through the canal free of charge, but it ignores, reduces or eliminates--as has already been sufficiently expalined--Colombia's other transit rights through the canal and via the railroad as well as those for the introduction of its natural and industrial products into the Canal Zone.

Panama has given no indication that it has either authorized such a restricted interpretation or a broader one, or that it has any intention of granting Colombia rights other than those established in the neutrality treaty. Seen in this light, Colombia can request from Panama nothing short of a modification of the neutrality treaty that will permit it to grant Colombia all the rights it currently enjoys under the Urrutia-Thompson treaty. But it is utopic to believe that either the United States or Panama will agree to modify that treaty.

In view of this erroneous policy by both the United States and Panama, the most advisable course would be for the government to release the notes exchanged with the Panamanian Government which, according to President Lopez, "lay the bases for the treaties that are to be signed and which safeguard all of Colombia's former (sic) rights as established in the Urrutia-Thompson treaty of 1914."

It is most advisable for the country to familiarize itself with these bases and to have the opportunity to compare them with its current (rather than former) rights in the canal in order to avoid new reductions, suppressions and misunderstandings. This is a matter of national nonor that cannot be delayed.

DURAN BALLEN CRITICIZES DECISIONS OF ELECTORAL TRIBUNAL

PA020255Y Quito La Voz de los Andes in Spanish 1730 GMT 1 May 78 PA

[Excerpts] Sixto Duran Ballen, presidential candidate for the National Constitutionalist Front, has been studying the possibility of resigning as a candidate because he feels the measures adopted by the electoral tribunal have created a serious atmosphere of unrest which is jeopardizing faithful compliance with the plan for return to constitutional status. Defining his political position in the confused electoral panorama, Duran Ballen accused the president of the electoral tribunal of betraying public trust. His charge has surprised the people.

[begin Duran recording] We should respect the people's feelings regarding the process of disqualifying the [Radical]Liberal Party's slate. We understand that although there was no provision to cover the return of the registration papers as requested, neither was there any against it. It has been the practice of this country's electoral tribunals to accept the wishes of the parties and there have been many cases in past elections where substitutions for candidates were accepted.

We should also note that the Patriotic Popular Party's registration was refused. It is a long-standing party, perhaps one of the few which in the past few years has been growing, creating a popular following [words indistinct]. We feel its exclusion should be reconsidered.

I also wanted to point out our amazement at the exclusion of other political parties which have been working very vigorously for quite some time and which have every right--as all Ecuadorean citizens have the right of registering in the party of their choice--to follow their own principles. [words indistinct] These three parties may not be legally recognized. I feel this is not right in a democratic process. I also want to protest the tribunal president's statements regarding the probable acceptance of my candidacy. To voice an opinion on something which will be announced later is also a betrayal of public trust.

I would like to urge people to maintain a sense of civic duty. I would like to ask for cordiality and mutual respect at a time that is very difficult for the fatherland. If we do not have this at both the level of electoral tribunal actions and civilians actions, I frankly think that there is not going to be a good atmosphere for continuing the political process. There is the possibility that I might cancel or withdraw my candidacy if I feel that conditions are not appropriate for the free expression of each citizen's will in the democratic game. [end recording]

LABOR MINISTER OPPOSES GENERAL WAGE INCREASE

PA030428Y Quito Radio Cadena Nacional Ecuatoriana in Spanish 2300 GMT 2 May 78 PA

[Excerpts] Labor and Social Welfare Minister Col Jorge Salvador Chiriboga (ret) has expressed open opposition to a general wage increase and described as demagogery the demands frequently made by student and labor leaders. When asked about a wage increase in an interview, Chiriboga replied that it was a complex and delicate matter that could not be granted hastily without the experts' previous economic analysis. He stated that the defense for inflation relies mainly on price and wage stability. If the decision were made to increase workers' minimum wage to 4,000 sucres, then how much, he asked, would a pair of shoes cost. How much would the price of staples increase? How much would a piece of [word indistinct] cost? Chiriboga said that the number of demands made during the 1 May march had decreased in comparison to previous years and stated that this was so because the workers no longer believed in false leaders and apostles with lawyer's degrees.

STATE OF SEIGE REDUCED TO ASUNCION AREA BY GOVERNMENT

PY021939Y Buenos Aires TELAM in Spanish 1920 GMT 2 May 78 PY

[Text] Asuncion, 2 May--The Paraguayan Government today issued a decree restricting the state of siege only to the area of Asuncion, which also includes territories of the central region of the country.

The state of siege previously included the Departments of Alto Parana and Itapua areas, bordering Brazil and Argentina where the state of siege is now eliminated.

The state of siege has been in force in Paraguay for more than 2 decades. The government decision to restrict it only to the area of Asuncion is unprecedented and was interpreted by observers as an indication of the strength and stability of the government.

Ruling Faulted

PY040242Y Asuncion ULTIMA HORA in Spanish 3 May 78 p 10 PY

[Text] A communique released by the Febrerista Revolutionary Party regarding the official decision to extend the state of siege exclusively in the capital says: "It is obvious that the government intends to keep political prisoners behind bars because most of them are kept in prisons located in Asuncion."

The communique published this morning asserts that "the government insists on maintaining certain dictatorial structures." It adds: "To lift the state of siege only in the interior of the country involves trying to confuse the people and also to delay a process which nothing and nobody will be able to stop." The communique also says that the people desire a clear, realistic and patriotic policy which will restore the law and which will make economic development and social justice possible."

BRIEFS

NAVAL AIDE--The national executive branch yesterday promulgated Decree No 38,739, appointing Capt Luis Augusto Rojas Ortiz as new presidential naval aide-de-camp, replacing Capt Pablo Osorio Gill. [Asuncion ABC COLOR in Spanish 15 Apr 78 p 12 PY]

ANTICOMMUNIST DELEGATION--The national delegation which will participate in the 11th World Congress and in the 8th Young People's Anticommunist Congress to be held in Washington is made up of the following people: president, Juan Manuel Frutos; members, Antonio Campos Alum, Ruben Dario Osorio, Bader Rachid Lichi, Julio Cesar Frutos and Carlos Podesta. [Asuncion HOY in Spanish 15 Apr 78 p 10 PY]

DRILLING FOR URANIUM--The U.S. firm Anschutz Minerals plans to make 200 test drillings in the next 12 months to obtain geological data in its search for uranium deposits. The drillings will be made 100 and 200 meters deep in the eastern region of Paraguay. Reconnaisance flights will also be carried out at the below-100-meter level to obtain the most accurate information. [Asuncion ULTIMA HORA in Spanish 17 Apr 78 p 8 PY]

CHILEAN-PERUVIAN COMMISSION OPENS THIRD SESSION IN LIMA

PY031330Y Santiago Chile Radio Mineria Network in Spanish 1030 GMT 3 May 78 PY

[Text] Lima--Chile is prepared to dispel whatever doubts there may be regarding its intention of maintaining peace with Peru, thus showing the good will between the two countries, stated Chilean Foreign Relations Under Secretary Enrique Valdes when (?opening) the third meeting of the Chilean-Peruvian Permanent Joint Commission for Cooperation yesterday. The Chilean official added: We are the carriers of a message which conveys our desire for peace and our faith in our ability to guarantee it.

In turn, Peruvian Foreign Ministry Secretary General Julio Aguirre praised Chile's attitude in approving the creation of an interbusiness committee and a bilateral chamber of commerce.

Chilean Official's Comments Reported

PA040215Y Madrid EFE in Spanish 2330 GMT 3 May 78 PA

[Text] Lima, 3 May (EFE)--Chile has not made any contacts with Bolivia for the resumption of diplomatic relations between the two countries. Chilean Foreign Relations Under Secretary Gen Enrique Valdes made this statement today in Lima, adding that the break in relations with Bolivia was a unilateral decision of the Bolivian Government since no political, diplomatic or physical reason existed prompting such action. Consequently, Chile has made no contacts in this respect but we are open to a resumption of talks and relations whenever the circumstances arise," he said.

Valdes said that Chilean-Bolivian negotiations on Bolivia's landlocked position were suspended at the same time that the diplomatic relations were interrupted.

Queried about the murder of Orlando Letelier--foreign minister under Salvador Allende's regime--in the United States, Valdes said that the greatest proof that the Chilean Government had no role or responsibility in the killing is the response of the U.S. Justice Department to the charge. This shows that the Chilean Government has nothing to hide or to feel guilty about in the case, he said.

Valdes, who is in Peru as the head of a Chilean delegation meeting with a similar Peruvian delegation at the third session of the Peruvian-Chilean permament cooperation commission, left today for Arequipa, located 1,000 km south of Lima, on a tour.

CHILE, BOLIVIA INVITED TO 4TH TRIPARTITE MILITARY MEETING

PA040427Y Buenos Aires LATIN in Spanish 0253 GMT 4 May 78 PA

[Text] Lima, 3 May (LATIN)--Peru has already extended invitations to Bolivia and Chile to attend the fourth meeting of the commanding generals of the armed forces of the three countries, it was officially revealed here today.

The information was released during a press conference given by Gen Pedro Richter Prada, president of the Armed Forces Joint Command and general chief of staff of the army.

He said that the third tripartite meeting held in July at Santa Cruz, Bolivia, established that the next meeting should be held during the month of August in Lima.

"However," he added, "there might be a change in view of the break in relations between Chile and Bolivia."

Richter indicated that, as the host nation, Peru "has extended the invitations, and we await the replies."

The press conference with the highest-ranking Peruvian Army official took place at the international airport on his return from the Andean Cuzco Province, where he swore in the new commanding general of the 4th Military Region.

The first tripartite meeting was held in this capital and the second took place in Santiago, Chile.

AGREEMENT REACHED WITH BELGIUM ON NEW COOPERATION PROGRAM

PA281648Y Lima Radio del Pacifico in Spanish 1300 GMT 28 Apr 78 PA

[Text] Belgium and Peru agreed yesterday to establish a new cooperation program which will be in effect until (?1980).

According to the vice minister of foreign relations, the program involves four new large-scale projects of great social importance. The vice minister said that these projects, which are currently under study, will be directed toward the most depressed areas of our country, including Huancavelica Department.

FOREIGN MINISTER TO DISCUSS PAYMENTS PROBLEMS WITH IMF

PA040241Y Buenos Aires LATIN in Spanish 0130 GMT 4 May 78 PA

[Text] Lima, 3 May (LATIN)--Peruvian Foreign Minister Jose de la Puente Radbill will go to Washington tomorrow to discuss the problem of Peru's balance of payments. The announcement, made today by the Foreign Ministry, gave no details. It is believed that the foreign minister will try to renegotiate the terms of an IMF standby credit. Banking circles believe that Finance Minister Alcibiadez Saenz Larsallo, who attended an IMF meeting in Mexico last week, will also participate in the talks.

Peru has not been able to attain the objectives of an economic stabilization program adopted within the framework of an agreement made with the IMF this year on the basis of a $106 million standby credit. Peru's foreign debt is now approximately $4.2 billion, of which almost $1 billion has to be paid this year in debt service and amortization. An agreement with the IMF would permit Peru to negotiate with important foreign banks for new loans to solve its balance of payments problem.

ARMED FORCES, FOREIGN MINISTRY DENY SQUANDERING FUNDS

PA031319Y Lima EL COMERCIO in Spanish 28 Apr 78 p 1 PA

[Text] Communique No 01-78 of the Armed Forces Joint Command

In view of the publication of an article in the weekly EL TIEMPO of 26 April 1978 in which, on the basis of reports in a foreign newspaper, the armed forces branches are accused of squandering money by having purchased houses for the use of military attaches in the Peruvian Embassy in Washington, the Armed Forces Joint Command, in defense of truth, notifies the public of the following:

1. It is completely false that the aforementioned houses were purchased with cash since they were bought with 30-year mortgages.

2. The amortizing of the installments corresponding to the payment of those houses is made through the collection of rent which each branch receives from the respective attache and which is deducted from the wages he receives according to the law. Therefore, the purchase made under this method is evidently advantageous since it is an investment and not an irrecoverable expenditure in rents.

3. It is very clear that the mistaken, unverified report of a foreign newspaper has been used by persons interested in continuing through that weekly the campaign to discredit the military institutions. Therefore, the Armed Forces Joint Command energetically and decisively rejects it.

Lima, 27 April 1978

[signed] Public Relations Office of the Armed Forces Joint Command

Official Communique No 003-78 of the Foreign Relations Ministry

In issue No 89 of the weekly EL TIEMPO dated yesterday, a report is published which, because it is tendentiously incomplete, seeks to deceive the public.

The aforementioned publication states that the value of the residence of the Peruvian ambassador in the United States "is estimated to be worth from $5 to $7 million." It does not report that the Peruvian Government bought the residence in 1944 for the sum of $292,500.

It is not, as might be inferred from the aforementioned publication, a recent purchase. In any case, this is clear proof that the policy of purchasing buildings for the use of our missions abroad is highly advisable.

Lima, 27 April 1978

[signed] Press and Public Relations Directorate of the Foreign Ministry

COMMUNIST PARTY LEADER WARNS ABOUT POSSIBLE COUP ATTEMPT

PA0322258Y Lima EXPRESO in Spanish 27 Apr 78 p 2 PA

[Text] Jorge del Prado, Peruvian Communist Party leader, has charged that "the reactionary forces grouped around the Peruvian Aprista Party [PAP], the society of industries, the Bedoyists and the Belaundists, among others, are earnestly promoting the right climate for a fascist coup d'etat."

"Only the consistent and united struggle of the working class and the people in general will be able to avert this serious danger that is threatening us," Del Prado said.

LEONIDAS RODRIGUEZ DISCUSSES PSR ELECTORAL POLICY

PA0323l4Y Lima EL COMERCIO in Spanish 28 Apr 78 p 4 PA

[Excerpts] Arequipa, 27 Apr--"The Socialist Revolutionary Party (PSR) will fight in the constituent assembly so that the new constitution will permit an opening for the road to socialism in order to achieve the justice and freedom for which the Peruvian people have been waiting for the past 150 years."

Those were the words of (ret) Gen Leonidas Rodriguez Figueroa during the news conference held at the PSR offices after his arrival from Juliaca where he was accompanied by Mr Avelino Arias and Dr Antonio Meza Cuadra. He announced that during his tour of towns in the southern part of the country he will meet with PSR leaders and members of grassroots organizations but noted that "this is not part of a political campaign."

Concerning the PSR's participation in the elections, Leonidas Rodriguez said "that his party will try to further reforms until socialism is established in Peru."

Concerning the nationwide papers, General Rodriguez Figueroa stated "that they should not be returned to the interest groups, which owned them until July 1974. Instead, they should express the views of the Peruvian people as a whole and EL COMERCIO should be turned over to the peasantry because it is organized exactly as set forth in the transference law."

On another subject, he said he agrees with the termination of SINAMOS [National System for Support to Social Mobilization] because it was created to mobilize the grassroots groups and because, despite its difficulties, it played an important role and because of it organizations such as the National Confederation of Industrial Communities and the National Agrarian Confederation were created without manipulation [manipuleo].

Regarding the military's participation in the country's political life, Rodriguez Figueroa remarked: "The armed forces have always participated in national politics, in the past through military chiefs and as of 1962 through their institutional presence in the political leadership. Based on that, it is necessary to review the system of military participation in politics. I also believe that the time will come when militarymen will have the right to vote, and I think that will be good. But it is a problem that must be resolved by the armed forces as an institution."

He then said that his party is a nationalist leftwing organization, not Marxist-Leninist. However, it recognizes modern social currents in the world.

Finally he voiced "his confidence that all leftist parties will achieve the desired unity on the basis of coordination and operation of the organizations but not of elites or leaders."

BRIEFS

DECREASE IN 1977 GNP--Lima, 26 Apr (AFP)--According to a study made by several private institutions on the national economy, the Peruvian gross national product decreased by 0.2 percent during 1977 as compared to an increase of 3.0 percent during 1976. In 1977, the mining sector increased by 28.5 percent and the agricultural livestock sector by 0.2. The decreases were in the following sectors: fishing 36.0 percent, construction 12.0, manufacture 2.0 and services 1.0. [all figures as received] [Paris AFP in Spanish 1548 GMT 26 Apr 78 PA]

GOVERNMENT TO RATIFY NUCLEAR PROSCRIPTION AGREEMENT

PA032019Y Caracas EL NACIONAL in Spanish 28 Apr 78 pp 3, 5 PA

[From "Valija Diplomatica" column by Nestor Mora]

[Text] The Venezuelan Government, through its Foreign Affairs Ministry, has given complete authorization to Venezuela's ambassador to Mexico, Dr Rafael Jose Neri, to ratify the agreement for the proscription of nuclear arms in Latin America.

This announcement was made by the Venezuelan Foreign Ministry, which recalled that this agreement--officially known as the Convention on Prerogatives and Immunities of the Organization for the Proscription of Nuclear Arms in Latin America (OPANAL)--took place in Mexico on 23 December 1969 and was signed by Venezuela on 31 March 1977.

This agreement was ratified by the Senate of the republic, in compliance with a requirement of the national constitution, and a text of it was published in the OFFICIAL GAZETTE'S issue 2,122--an extra issue--of 22 December of last year.

It is interesting to recall that President Carlos Andres Perez has made the denuclearization of our Latin American continent one of the basic goals of our foreign policy.

AD PRESIDENTIAL CANDIDATE VIEWS FARMING PROBLEMS

PA290408Y Caracas Radio Rumbos Network in Spanish 2100 GMT 28 Apr 78 PA

[Text] Luis Pinerua Ordaz today addressed the agricultural forum of the 12th national meeting of the National Federation of Agricultural Producers [FEDEAGRO]. He discussed the need to modify the land reform law as suggested by FEDEAGRO.

[begin Pinerua Ordaz recording] I am not sufficiently knowledgeable of the background or details of the problem to voice agreement with the idea of reform at this time. However, I do want to say that with or without reform those who are in possession of state lands within the specified conditions will become owners of that land--not only in Portuguesa State but throughout Venezuela--under my rule. [end recording]

In another portion of his speech, the Democratic Action [AD] presidential candidate said that he will increase the number of secondary roads.

[begin Pinerua Ordaz recording] This administration has built thousands of kilometers [of roads]. However, I feel that what has been accomplished should be consolidated. In the first place maintenance is needed. [end recording]

Pinerua Ordaz promised that under his administration all dirt roads will be paved with asphalt.

[begin Pinerua Ordaz recording] If we are going to have any oil left, since the developed countries do not want to buy it at the established prices, that oil will not be lost. We are going to turn it into asphalt to pave all the rural roads in the country. At least as much as possible [words indistinct]. [applause--end recording]

The AD candidate's remarks were welcomed by the FEDEAGRO members. According to some delegates, agricultural prospects are bright with Pinerua.

POLITICAL LEADERS DENY USSR SPONSORED 1972 COUP ATTEMPT

PA0322254Y Madrid EFE in Spanish 2103 GMT 3 May 78 PA

[Text] Mexico City, 3 May (EFE)--Several former officials and political leaders today rejected reports that a coup attempt sponsored by the Soviet Union took place in Mexico in 1972.

Emilio Rabassa, who then held the post of foreign minister, said he does not remember anything in connection with this, but he did mention that five Soviet diplomats were expelled after the guerrilla Revolutionary Armed Movement (MAR) was discovered. MAR, which was virtually wiped out in 1971 by the Mexican security services, was composed of some 20 youths who had been scholarship students in the Soviet Union and had received guerrilla training in North Korea.

According to Arturo Martinez Nateras, a leader of the Mexican Communist Party, the rumors about alleged Soviet intervention in Mexico are "delusions" and represent nothing but "U.S. anticommunist fantasy."

"There is no evidence that the USSR is currently intervening or has intervened in the past in Mexico. Nobody can prove any kind of Soviet intervention here. Obviously the same thing cannot be said about the United States," he added.

Martinez' statements have been endorsed by Jose Angel Conchello, a distinguished leader of the National Action Party (moderate right), who has described the statements about a coup attempt as "not very intelligent" and aimed at creating problems on the eve of President Lopez-Portillo's trip to the USSR.

"If the United States cannot defend us from its own intelligence services, it is even less capable of defending us from the Soviet espionage services," Conchello declared.

U.S. Democratic Congressman Henry Gonzalez recently said that in 1972 some 20 youths almost staged a successful coup in Mexico.

FOREIGN SECRETARIAT ON SAFE-CONDUCT FOR CAMPORA

FL011654Y Mexico City INFORMEX in Spanish to ANSA Buenos Aires 2110 GMT 30 Apr 78 FL

[Text] Mexico City, 30 Apr (ANSA-INFORMEX)--The Mexican Foreign Secretariat today reiterated that it is continuing efforts with the [Argentine] Government so that it will grant the necessary safe-conduct out of the country to former Argentine President Hector J. Campora, who has been in exile in the Mexican Embassy in Buenos Aires for the past 2 years.

At the same time, the Argentine Embassy in Mexico has announced that the Argentine Government is trying to grant the safe-conduct but that there are certain problems which so far have made it difficult.

It has been learned unofficially that Campora will be able to leave the country at the end of the constitutional period which should have been completed by General Peron's widow, Maria Estela Martinez, deposed by General Videla's military coup.

It also was asserted unofficially that the Argentine military government fears that if it grants safe-conduct to Dr Campora before the Peronist government's term ends, he could form a government-in-exile.

The Mexican Foreign Secretariat asserted that talks are continuing.

PRESS REPORTS ON FUTILITY OF IMF MEETING

FL022204Y Mexico City INFORMEX in Spanish to ANSA Buenos Aires 2105 GMT 2 May 78 FL

[Text] Mexico City, 2 May (ANSA-INFORMEX)--The Mexican press today points out the futility of the International Monetary Fund (IMF) meeting which ended here on Sunday. The Mexico City morning daily EXCELSIOR states on its first page that "the IMF achieved nothing essential." For its part, EL DIA comments that "everything was left in deliberation, petitions, recommendations and hopes," and UNO MAS UNO stated that on this occassion "nothing was submitted to a vote, there were only discussions and several points of agreement were noted."

At the same time, the press points out that Mexico continuously defended the developing nations' sovereignty, based on the thesis that every nation is free to determine its own economic policy.

In an editorial EL DIA, progovernment, states that "representatives of 132 countries of the capitalist world and a socialist country (Yugoslavia) spent 4 days in dialogs and discussions, and everything ended with the decision to meet in September."

The morning paper continues: "The only thing recognized was that the developed countries are to blame for the present economic and monetary disorder and that the developing countries play a very important role in the struggle to reactivate the world economy."

In conclusion, the Mexican press showed its disappointment by the fact that despite the imperative needs of the Third World, especially in relation to the increase in special drawing rights (SDR) and contribution quotas, nothing had been resolved and everything was passed on to the September meeting in Washington, where decisions will be made.

BRIEFS

PETROBONDS SALE--Mexico City, 2 May (EFE)--The government today put on sale in the domestic market its latest issue of petrobonds [petrobonos], a savings device with oil support. This is the second time that the government has put petrobonds on sale. The nominal value of the present issue of petrobonds is 2 billion pesos ($88 million). The bonds offer an annual interest rate of 10 percent and can be paid in 7 years. Bondholders would obtain higher benefits if the price of oil through which the bonds are endorsed is higher on the date the bonds are redeemed. The bonds are backed by an oil fund of 6,592,479,300 barrels. [Madrid EFE in Spanish 2102 GMT 2 May 78 PA]

STEEL PRODUCTION TO INCREASE--Mexico City, 2 May (LATIN)--Jorge Leipen Garay, director of the Mexican Iron and Steel Company, reports that Mexico will increase its steel production from 5.6 million tons in 1977 to 7 million tons this year. Leipen Garay said that this will be a record for Mexico, which has a capacity of 10 million tons, but which has been producing much less to date. [Buenos Aires LATIN in Spanish 2359 GMT 2 May 78 PA]

TORRIJOS MEETS LEADER OF POLISARIO FRONT DELEGATION

PA040135Y Panama City Circuito RPC Television in Spanish 2300 GMT 3 May 78 PA

[Text] This morning Chief of Government Gen Omar Torrijos received a courtesy visit from (Mustafa Bashiri), POLISARIO Front deputy secretary general and vice president of the revolutionary command council. He is in Panama on an information mission concerning his people's struggle for liberation.

The meeting took place in the office of Vice President Gerardo Gonzalez where Torrijos was informed at length about the advancements made by the Saharawi people toward achieving their aspirations. Torrijos was accompanied during the visit by National Guard General Staff Chief Lt Col Florencio Flores.

REPUBLICAN PARTY ISSUES COMMUNIQUE ON RETURN TO DEMOCRACY

PA040201Y Panama City Circuito RPC Television in Spanish 2300 GMT 3 May 78 PA

[Text] In assessing the new canal treaties as they have been approved, each member of the Republic Party should privately consult his conscience and determine whether the treaties are favorable to the interests of the Panamanian nation and whether the modifications introduced should be submitted to another plebiscite, the Republican Party said in a communique dated 28 April.

In the communique, the Republican Party states that this is how it proceeded in last October's plebiscite since these are patriotic rather than political issues. The Republican Party members also feel that the return of the exiles is a welcome event because the republic needs all Panamanians who want to serve their country to help in the struggle for a return to democracy. However, the Republican Party also feels that the reprehensible method of banishing citizens who in one way or another fight and oppose the political actions of those in power should never be used again in the history of our country. The Republican Party communique voices concern over statements by public officials because it sees in them the intent to use insurmountable requirements to negate the promise to promote the existence and operation of the political parties.

For the Republican Party, the necessary regulations for the operation of the political groups should be adopted as soon as possible, and all factions and groups that will comprise those party forces should be involved in their formulation. They will restore the desired democratic way of life which has been absent from Panama for so long.

The Republican Party communique notes that the republic should be organized according to patterns that respond to the democratic system in which government leaders will be elected through the direct vote of the citizens, and legislative, executive and judicial duties will be exercised by separate branches to determine conclusively and at the highest level the procedure whereby laws governing the operation of the Panamanian state will be approved, modified and repealed. The Republican Party voices the hope that all Panamanians will understand that it is only by creating a climate of true democracy and broad freedom that we can contribute toward a climate of peace and confidence which will permit the republic to be healthy.

RADIO MIA DENOUNCES CUBAN PRESENCE IN PANAMA'S RURAL AREAS

PA031847Y Panama City Radio MIA Network in Spanish 1100 GMT 3 May 78 PA

[From "Resumen Informativo" program by Julio Ortega and Ramon Pereira Jr]

[Excerpt] We have been informed that some official cars have stickers that say: Together, no, united--at least that is what I think it says--we will win. The stickers also show the Cuban and Panamanian flags and the faces of Fidel Castro and General Torrijos. The state's security department should investigate to find out who the persons are behind these stickers which show the Panamanian chief of government following a line which is not the line the Panamanian people believe in.

We also have reports of a new group of Cubans stationed in Coclecito and that a military truck with 30 of them was seen last Saturday at a restaurant in Aguadulce.

People are calling us to let us know that they are definitely opposed to this because as Panamanians they do not believe in what the "nangaras" [derogatory term used for local communists] believe.

We feel it is our duty to let the National Guard High Command know what is happening in other sectors of the country. We need not worry about the Arnulfists and liberals; the common enemies of the Panamanian people are the nangaras.

The people are beginning to question our government's relations with the Cuban Government. Every day we hear about Cubans coming and going as they please; sending delegations and groups to our country to promote agitation in which they also participate, while our government remains silent. The Cuban diplomatic mission is the only one in our country which is known to be engaged in subversive activities. They have infiltrated the student movements to promote their ideology. But they do not send their children to Panamanian schools. They have their own school because they are afraid our children will contaminate theirs. I would like to know if Panama has a special school for the children of the Panamanian ambassador in Cuba.

This is not the first information we have received on Cubans being seen in the interior of our country. The other time we were told that they were in Santiago or Santa Fe. On that occasion, we were told they numbered about 500.

BRIEFS

INCREASED NONTRADITIONAL EXPORTS--Alfredo Poso, an official of the Center for Research and Promotion of Investments (CIPIEX), has announced that nontraditional products valued at 11 million balboas (F.O.B.) were exported in 1977 under the terms of the law of incentives which grants tax credit certificates to businesses. Poso added that this represents a 2 million balboa increase in exports over the 2 preceding years. The government granted 1,650,541.18 balboas in tax credit certificates last year. [Panama City LA ESTRELLA DE PANAMA in Spanish 3 May 78 pp 1, 22 PA]

COSTA RICA

FOREIGN MINISTER ANNOUNCES WITHDRAWAL FROM CIAT

PA040132Y San Jose Cadena de Emisoras Columbia in Spanish 2300 GMT 3 May 78 PA

[SERCANO Network]

[Text] Costa Rica has confirmed its withdrawal from the Inter-American Tropical Tuna Commission [CIAT]. In a letter sent to the U.S. Government, Costa Rican Foreign Minister Gonzalo J. Facio announced Costa Rica's decision to withdraw from CIAT. Costa Rica joined CIAT on 7 November 1949.

The letter sent by Facio has the character of an instrument of denunciation. Although the letter is dated 27 April, it was not released by the Costa Rican Government until today.

Foreign Minister Facio's letter also states that, beginning on 27 April, Costa Rica will continue to demand from CIAT member boats the required permit granted by Costa Rican consulates. It will also demand payment of the fees established by Article 3 of law No 5,775. Those fees are $30 per ton for ships up to 400 tons and $60 per ton for ships over 400 tons. This decision will undoubtedly provoke a strong reaction from the CIAT member countries. Nevertheless, Facio said that so far the government has not received any formal note in this regard.

SECURITY MINISTER TO ASSUME BANK SECURITY JOB

PA022115Y San Jose Radio Reloj in Spanish 1730 GMT 2 May 78 PA

[Text] Security Minister Mario Charpentier has been saying farewell to unit commanders throughout the country and to his assistants in order to thank them personally for their cooperation during his 4 years as minister. Today he sent a circular in the same vein to ministry officials. It has been announced that tonight he will visit security headquarters in Cartago. On 9 May Charpentier will become chief of the security department of the Central Bank, an office which was created recently.

BRIEFS

ARGENTINE CREDIT--The Argentine Government has granted Costa Rica a 30 million colones credit for the purchase of equipment and services in keeping with an economic cooperation agreement signed several months ago. [San Jose Cadena de Emisoras Columbia in Spanish 1220 GMT 3 May 78 PA] [SERCANO Network]

ROMANIA STUDIES BAUXITE EXPLOITATION--San Jose, 3 May (ACAN-EFE)--A Romanian technical mission is in San Jose to study the possibilities of exploiting bauxite deposits in southern Costa Rica. This is the second effort made by the government and has been prompted by a new Romanian technological discovery of a more profitable way of exploiting the mineral. [Panama City ACAN in Spanish 1828 GMT 3 May 78 PA]

EL SALVADOR

SALE OF COFFEE ABROAD REINITIATED 1 MAY

PA031934Y San Salvador Radio Cadena YSKL in Spanish 1720 GMT 3 May 78 PA

[SERCANO Network]

[Text] On 1 May El Salvador reinitiated its sale of coffee on the international market at a minimum price of $193.50 [unit not specified], according to what local coffee sources have told YSKL, the SERCANO station in El Salvador. Our country's decision is due to the fact that market conditions apparently are favorable again.

FECCAS, UTC SEEK RELIEF FROM ORDEN THREATS

PA021436Y San Salvador Radio Cadena YSKL in Spanish 1220 GMT 2 May 78 PA

[SERCANO Network]

[Text] The Salvadoran Christian Peasants Federation [FECCAS] and the Farm Workers Union [UTC] have reported that they are being persecuted and threatened by the Nationalist Democratic Organization [ORDEN], which has carried out its activities in the agricultural sector of the country with the support of certain rural security corps to the detriment of hardworking peasants who seek only to improve their lot through their labor and through the peasant organizations. The two organizations have requested that the government remove the members of ORDEN since they are causing disorder in rural areas.

GUATEMALA

CLANDESTINE GROUP 'Z' MAKES APPEARANCE

PA040416Y Panama City ACAN in Spanish 2307 GMT 3 May 78 PA

[Text] Guatemala City, 3 May (ACAN-EFE)--The letter "Z"--the mark of the legendary "Zorro" of California--is the sign of a new clandestine organization which made its appearance in Guatemala today, Wednesday. The group, reportedly responsible for the killing of a court policeman last week, is being sought by the state's combined forces and security services.

There are no details about the ideals which motivate the new group, which joins the ranks of the extreme leftist People's Guerrilla Army (EGP) and the Rebel Armed Forces and the extreme rightist Secret Anticommunist Army and the death squad.

HONDURAS

MINISTRY CANCELS TRAVEL TO EL SALVADOR

PA032203Y San Pedro SULA TIEMPO in Spanish 25 Apr 78 p 5 PA

[Text] The Government and Justice Ministry last week decided to cancel all permits to travel to El Salvador as well as the entry of Salvadorans into Honduras.

The decision was adopted as a result of criticism by some news media about the high number of Hondurans who go to Salvadoran hospitals in search of medical attention.

According to reports, the drastic measure will hurt mainly persons living in the El Salvador border area. The fact is, however, that "a large number of residents of the interior of the country had requested permits to travel to El Salvador claiming it was for health reasons but in truth it was for other reasons."

The measure will undoubtedly be criticized by the people since the government, on the one hand, is trying to achieve a final peace with El Salvador and, on the other, is completely contradicting itself by prohibiting any kind of relations with the people on the other side of the Goascoran River.

NICARAGUA

NICARAGUAN DEMOCRATIC MOVEMENT ISSUES MANIFESTO

PA032243Y Panama City ACAN in Spanish 1656 GMT 3 May 78 PA

[Excerpts] Managua, 3 May (ACAN-EFE)--The Nicaraguan political opposition scene has apparently gained some strength in recent months with the appearance of the Nicraguan Democratic Movement (MDN), whose founding leader is Alfonso Robelo Callejas, a young engineer and businessman. Its platform was made public on 25 April in its first manifesto to the Nicaraguan people, which was also signed by the lawyers Juan Ignacio Gutierrez and Noel Rivas Gasteazoro, economists Ramiro Cardenal Chemorro, Javier Zavala Cuadra, Samuel Santos Lopez and engineer Ernesto Leal Sanchez, all members of MDN's provisional central committee.

The extent of MDN's popular support is unknown. Its supporters are the younger element in private enterprise who, together with Robelo Callejas, are seeking to introduce substantial changes into Nicaragua's social, political and economic structures. They are sure that the Somozists, in power for more than 4 decades, are incapable of making those changes, and even less capable of doing so is the Conservative Party of Nicaragua (PCN), an organization whose legal status has been accepted by the Liberal Party as part of the traditional alliance of the so-called historic parallels, which have taken turns in power since the last century.

The MDN's manifesto calls on all forces struggling for the liberation of Nicaragua "to unite in order to make the fundamental change promoted by Nicaraguans for Nicaraguans." It adds that "the time is now."

"The regime's lack of principles and credibility prevents dialog, a worthless mechanism, and plans for eventual elections because they do not agree with the people's constant and firm disapproval of the regime," the Robelists indicated in reply to the government's appeal for a national dialog to solve the crisis.

For MDN, Somoza represents "a mockery of the people's will, carried out through coups, electoral frauds, rigged constitutional amendments, repression of freedom to eliminate political opposition, expulsions from the country and the use of the army to stay in power."

"We are beginning our struggle to structure a new Nicaragua based on justice, democracy and freedom, a country where the basic rights are fully guaranteed," the Robelists say. These rights are: political pluralism; free elections; freedom to campaign and genuine representation in elections; the autonomy, impariality and effective operation of the judicial branch, which should be composed of honest persons chosen according to seniority; lifetime magistrates; genuine representation and operation in the legislative branch, as guarantor of the people's will and interests; election of municipal authorities through direct elections in their respective communities; and making the National Guard a nonpolitical professional institution.

MDN also demands the establishment of a civil service to guarantee public employees' stability and the implementation of an economic development policy in agreement with the country's reality. This should include a satisfactory income tax system, an agrarian reform which responds to the peasant's aspirations, better use of natural resources, respect for the workers' right to form unions and control of enterprises so that the workers participate in their benefits.

The MDN platform also covers other issues such as guarantees for a free, credible and responsible press; the abolishment of the radio and television law (harmful law to journalism); guarantees for education in elementary and high schools; unconditional respect for human rights, and implementation of measures which truly promote social justice. The objective of all this is to create the conditions that guarantee peace and freedom permanently and attach priority to the needs of the great majority.

Political circles comment that Robelo has the U.S. Embassy's support because of his youth, influence and fighting spirit.

Robelo has said that he will make every effort to achieve an effective democratization in Nicaragua, a hope toward which those opposed to Somoza have directed all their efforts.

NOVEDADES DEPLORES 'INTRANSIGENCE' OF SOMOZA OPPONENTS

PA032013Y Managua NOVEDADES in Spanish 28 Apr 78 p 13 PA

[Edgard Solis Martinez editorial: "Intransigence Is the Watchword"]

[Text] We cannot tire of mentioning a subject which at present touches all Nicaraguans. It is, of course, the stubborn upheaval which "certain groups" resolutely maintain, despite the tranquil behavior of the government of the republic and the manner in which the government has dealt with each and every one of the claims brought before it. In most cases the government has granted requests made to it in an effort to achieve greater understanding within the great family and, above all, because of the deeply patriotic spirit which guides the steps of the one who leads the nation's destiny--Anastasio Somoza Debayle.

Just 2 nights ago, in an exclusive interview with Manuel Espinoza Henriquez, director of Channel 2's "Extravision" program, the president of the republic, with great serenity and the poise proper to his high position, responded to the newsman's questions without hesitation and with the frankness which should be characteristic of statesmen and politicians of our times.

For example, Somoza Debayle was clear, precise, frank and realistic when he said in answer to a question: "As I said during my news conference last week, if one of their demands is met, they add another, because the watchword of these persons is to be dissatisified no matter what the government may do. This is something the citizenry has to take into account because we must think of the country's future."

President Somoza's answer has an importance which all citizens cannot and should not overlook. Moreover, it reflects a sense of responsibility in the face of national events which forces all of us to think about those events, since it is the citizenry which suffers the consequences of that stubborn intransigence.

The daily life of Nicaraguans is becoming like the head of Janus--the legendary king of Latium--which had two faces, one which looked to the future and the other to the past. In this manner, Nationalist Liberalism, led by Somoza Debayle, is the "face" that looks to the future; the political attitude of certain groups which seek to continue the agitation or slyly appear to ignore it is the other "face" that looks obstinately to the past.

The efforts which the government of the republic and the Nationalist Liberal Party have made and are making to reach a compromise with those who are clamoring for the "democratization" of Nicaragua have reached limits of patience, reflection and tolerance that are difficult to find in other areas. For this reason, it is difficult to believe and even more difficult to accept that these groups persist in such a negative position that only delays the dialectics of the process which they will eventually come to accept.

A joint session of the national Congress on Wednesday completed the procedure for a partial amendment of the country's constitution. This act, in itself historical, undoubtedly opens the door to a new political opening which must lead to the famous "democratization." The plurality of parties involved in the coming elections places our country among the most advanced states in the world. All ideologies have been given the opportunity to participate in guiding public affairs and representing their groups in the highest forum of the republic.

In view of this political reality, intransigence as a watchword is obsolete, antipatriotic and, even worse, senseless.

LABOR UNIONS THREATEN STRIKE AFTER MAY DAY ARRESTS

PA031423Y Paris AFP in Spanish 2000 GMT 2 May 78 PA

[Text] Managua, 2 May (AFP)--The Nicaraguan labor unions here today threatened to stage a general strike if the government retains in prison two of its leaders who were arrested during the demonstrations held Monday to commemorate May Day. The two labor leaders arrested are Carlos Alfaro and Alfredo Solorzano [as received], who are imprisoned in Managua along with 22 other persons.

Distrubances, arrests and repression marked Labor Day events during which only progovernment unions were allowed to march.

In contrast to the arrests of Alfaro and Solorzano, two other opposition leaders, Rafael Cordoba Rivas and Joel Miranda Gomez, were released after only 12 hours of imprisonment. Cordoba is president of the Democratic Liberation Union and Miranda of the Social Christian Party.

Over 100 persons were arrested all over the country for participating in banned activities. Incidents were reported in the cities of Masatepe, Jinotepe, Masaya, Granada and Leon, located to the south, east and west of this capital.

The largest number of people were arrested in Jinotepe, 45 km south of Managua, where 45 were arrested after a demonstration was dispersed. Numerous houses were raided after a demonstration was dispersed. Numerous houses were raided after the demonstrators, who took to the streets throwing homemade bombs, were controlled by the authorities.

The most serious incidents were reported in Masatepe, 40 km southeast of this capital, where an unidentified woman was shot and wounded during clashes with the police.

Meanwhile, the National Development Institute, one of the private sector's largest organizations, announced that its members will hold an urgent meeting today to study the country's current situation. Manuel Jose Torres, the organization's top leader, was briefly detained yesterday, Monday, in the city of Rivas, 120 km south of Managua.

CONTINUED REPORTAGE ON IRAQI VICE PRESIDENT, DELEGATION

Castro Receives Ma'ruf

FL031205Y Havana Domestic Service in Spanish 1145 GMT 3 May 78 FL

[Text] Commander in Chief Fidel Castro, president of the Council of State and Council of Ministers, has received at revolution palace Iraqi Vice President Dr Taha Muhyi ad-Din Ma'ruf, who conveyed greetings from Iraqi President Ahmad Hasan al-Bakr and Revolution Command Council Vice Chairman Saddam Husayn.

Carlos Rafael Rodriguez, vice president of the Council of State and Council of Ministers; Foreign Minister Isidoro Malmierca, and Cuban Ambassador to Iraq Juan Carretero attended the meeting.

Various matters relating to the international situation, bilateral relations and the nonalined movement were discussed during the meeting.

Fidel conveyed greetings to President Ahmad Hasan al-Bakr and Revolution Command Council Vice Chairman Saddam Husayn.

The meeting was held in a friendly and fraternal atmosphere in keeping with the relations that exist between the two countries.

INA Report on Talks

JN030925Y Baghdad INA in Arabic 0800 GMT 3 May 78 JN

[By INA correspondents Muhsin Khudayr and 'Abbas al-Janabi]

[Excerpts] Havana, 3 May--Iraqi Vice President Taha Muhyi ad-Din Ma'ruf met here last night with Dr Fidel Castro, president of the Council of State of Cuba. Ma'ruf and Castro held talks on developing political, economic, cultural and social relations between Iraq and Cuba. They reviewed their common stand in support of national liberation movements throughout the world, the Palestine question, the situation in the Arab area and international issues of common concern.

During the meeting Castro stressed Cuba's support for the Palestine question and the armed struggle of the Palestinian Arab people against Zionism and imperialism. He also stressed the importance of developing friendly relations to link the Iraqi and Cuban peoples.

Ma'ruf coveyed greetings from President Ahmad Hasan al-Bakr and Vice Chairman of the Revolution Command Council Saddam Husayn and wishes from the Iraqi people for continued progress and prosperity.

At the end of the meeting the Iraqi vice president presented Castro with two gifts, a valuable rug made in Iraq with a picture of President al-Bakr in the middle and a miniature of the old minaret of Al-Malawiyah made of silver and gold.

In a statement he issued on Iraq's Arab policy, Ma'ruf stressed that the Arab Socialist Ba'th Party seeks to achieve Arab unity. Guided by Ba'th Party principles, the Iraqi Government "considers this issue the cornerstone of Iraqi's foreign policy." He also stressed that the Palestine question is the basic and central issue of Iraq's Arab policy. He pointed out that Iraq works for the liberation of Palestine and the establishment of a Palestinian state on its soil that will insure freedom and peace for all religions and nationalities.

Ma'ruf stressed that Iraq rejects all capitulationist plans. He said: "All that has been proposed, is being proposed and will be proposed within this context does not touch the substance of the Palestine question or tackle the roots of what must be the basis of discussion. All that is being proposed is a perpetuation of the Zionist existence and imperialist support for this entity founded on racist Zionist ideology and seeking expansion in and occupation of Arab land."

Ma'ruf praised Cuba's stand on the Palestine issue and its support for the Palestinian resistance and its armed struggle. He pointed out that this stand is highly appreciated by the Iraqi Government and people.

Ma'ruf emphasized that Iraq supports liberation issues in the world and backs peoples struggling for their freedom, independence and sovereignty. He said that Iraq is adopting a clear stand toward liberation movements in Africa and is constantly supporting the people and governments which gained their independence recently.

Ma'ruf stressed that Iraq considers the nonalined movement to be a basic pillar of its foreign policy. He said the Arab Socialist Ba'th Party, which is leading the country, has supported this idea with its liberation and democratic significance since it was established.

Foreign Ministers Sign Agreement

FL031857Y Havana Domestic Television Service in Spanish 1800 GMT 3 May 78 FL

[Text] A cooperation plan which has the objective the growth and extension of the fraternal relations which exist between Cuba and Iraq has just been signed by Foreign Ministers Isidoro Malmierca and Sa'dun Hammadi. The signing took place at Cubanacan protocol hall and was attended by Carlos Rafael Rodriguez, vice president of the Council of State and Council of Ministers, Iraqi Vice President Taha Muhyi ad-Din Ma'ruf and the rest of the two delegations participating in the official talks.

In regard to the cooperation plan, the Iraqi foreign minister said it was an expression of relations based on equality and mutual interest. For his part, Malmierca stated that the document will serve to strengthen and consolidate this relationship.

Iraqi Minister Quoted

JN030110Y Baghdad INA in Arabic 0930 GMT 3 May 78 JN

[Text] Havana, 3 day--Iraqi Foreign Minister Dr Sa'dun Hammadi has met with Cuban Foreign Minister Malmierca as part of the official Iraqi-Cuban talks which began in Havana yesterday. Hammadi said that the meeting dealt with issues of common concern to the two countries, the most important of which are the nonalined movement and the situations in the Arab area and the Horn of Africa. He said that the Iraqi side submitted a number of practical proposals during the meeting. The Cuban views were positive. Hammadi said that the Iraq and Cuba agree on the need to take the necessary steps to carry out these proposals.

The two ministers also signed an agreement on diplomatic cooperation. Attending the signing ceremony were Vice President Taha Muhyi ad-Din Ma'ruf and Vice President of the Council of State Carlos Rafael Rodriguez.

CUBAN ENVOY MEETS WITH AFGHAN LEADER

LF032233Y Havana Domestic Service in Spanish 2202 GMT 3 May 78 FL

[Text] Nur Mohammad Taraki, president of the Revolutionary Council of the Democratic Republic of Afghanistan, today received Cuban Ambassador Fernando Flores Ibarra, chief of the nonalined countries directorate in the Cuban Foreign Ministry. The Cuban representative conveyed greetings to the Afghan leader from Cuban Council of State President Fidel Castro Ruz. At the meeting various aspects of the nonalined countries coordinating bureau meeting which will be held shortly and recent developments in the Democratic Republic of Afghanistan were discussed. Chairman Nur Mohammad Taraki took this opportunity to reiterate his recognition of the role played by the Cuban revolution and its leaders.

RAFAEL RODRIGUEZ RECEIVES MEXICAN OFFICIAL

FL031054Y Havana Domestic Service in Spanish 1035 GMT 3 May 78 FL

[Text] Carlos Rafael Rodriguez, member of the PCC Politburo and vice president of the Council of State and Council of Ministers, has met in Havana with Edmundo Flores, director general of the Mexican National Council of Science and Technology. During the meeting Carlos Rafael Rodriguez and Edmundo Flores exchanged viewpoints on the growing expansion of scientific and technological cooperation between Cuba and Mexico.

Hours earlier, Hector Rodriguez Llompart, minister-president of the State Committee for Economic Cooperation, and Edmundo Flores signed the document resulting from the third meeting of the mixed committee on scientific and technical cooperation. The document contains the cooperation program for the 1978-79 period and covers 11 sectors including agriculture and livestock, industry, construction, fishing, transportation and health. During the signing of the document, Hector Rodriguez Llompart said that cooperation between the two countries is developing successfully. He added that the agreements have been fulfilled above the agreed level and that the quality of work done is high.

For his part, Edmundo Flores emphasized that no agreement is as vital to his country as this one which has been signed for the third consecutive year in Cuba. The Mexican official praised the development achieved in our country in the past 20 years. In this regard, he said: It is a country that was mired in underdevelopment and has become a nation respected in the world.

HAVANA COMMENTARY SCORES BRAZILIAN REGIME

FL031336Y Havana Domestic Service in Spanish 1145 GMT 3 May 78 FL

[Revolutionary Armed Forces and Interior Ministry combatants political information program commentary]

[Text] Brazil has been living under a regime of military oppression ever since the 1964 coup d'etat which deposed Joao Goulart. The Brazilian political situation is characterized by the absence of democratic freedoms, the existence of a gorilla regime in the service of imperialism and the most brutal fascist repression against the people, especially against revolutionary and progressive forces.

The jails are full of political prisoners. Torture and crime are institutionalized, and the death squad employs terrorism to assassinate all who fight the regime. To be a communist or have progressive ideas in Brazil is a crime which the gorilla clique hastens to punish. Mere mention of the word "Marxism" is enough to make one the object of brutal oppression. Recently 10 members of educational organizations were jailed in the city of Curitiba, in the southern State of Parana, accused of introducing Marxist principles in educational programs.

Another characteristic of the reactionary Brazilian regime is the total lack of honesty in its electoral system. The people know in advance who their future president will be. He is selected by the incumbent president with the endorsement of the ruling party and the regime. Such is the case of Gen Jaoa Baptista de Figuereido, who will replace General Geisel and will be in power from 1979 until 1984.

North American capital controls 60 percent of the Brazilian economy, which has a balance of payments deficit of $177.78 million and a foreign debt exceeding $30 billion. This situation is worsened by the transnational companies' control of broad economic sectors and by high rates of unemployment, infant mortality and illiteracy.

The Brazilian economic crisis is aggravated by the drop of the dollar and the economic bribing of 80 percent of the country's state enterprises by the capitalist interests of North America and West Europe. In the past 10 years, more than 300 North American companies used more than $500 million to bribe Brazilian state enterprises.

In the shantytowns the people suffer hunger and poverty and the existing desperate situation leads to the proliferation of delinquency, violance and drug consumption. In rural areas the government has had to admit its inability to finance growth of the agricultural sector. It has given large pieces of land to foreign interests. It allows the big landowners to control the immense majority of national farm production and does not properly exploit immense regions that are full of natural resources.

The crisis in Brazil is worsening to the extent that imperialism has increased its economic domination in that country. It grants the regime the mission of becoming continental gendarme to halt the struggle of the national liberation movements in the region. But the Brazilian people are becoming aware of their situation and, as a result of the foundation enriched with the blood of revolutionary combatants fallen in the struggle for national liberation, they are continuing the confrontation to the death against the fascist oppression.

NATIONAL ASSOCIATION OF ECONOMISTS CREATED

FL281257Y Havana Domestic Service in Spanish 1200 GMT 28 Apr 78 FL

[Text] The establishment of the Cuban National Association of Economists has been announced at a meeting presided over by PCC Central Committee Secretariat member Raul Garcia Pelaez. Garcia Pelaez announced the members of the national organizing commission charged with carrying out the work for that social organization's constitutional congress. The commission is headed by Laureano Leon, first deputy chairman of the State Committee on Prices, and is made up of Fernando Gonzalez, dean of Havana University's economics faculty, and Manuel Garcia, vice president of the Central Planning Board, among others. The National Association of Economists will be made up of economists, public accountants, engineers and others who have achieved an adequate educational level in this field.

COAXIAL CABLE PROJECT INAUGURATED IN SANTIAGO DE LAS VEGAS

FL032042Y Havana Domestic Service in Spanish 1932 GMT 3 May 78 FL

[Text] A coaxial cable project was inaugurated today in Santiago de las Vegas at which Commander of the Revolution Guillermo Garcia Frias, PCC Politburo member and Council of State vice president, and Pedro Guelmes, PCC Central Committee member and Cuban communications minister, presided. (Gerald Patterson), economic counselor of the Soviet Embassy in our country, stated that this project reflects the great friendship between Cuba and the Soviet peoples. For their part, the work group of the coaxial cable national center read a communique in which they pledge to carry out the project with perfect quality.

Following this, Pedro Guelmes stated that the coaxial cable program, called the Cubanacan project, along with the central railroad, the national highway and the 220-kilowatt electrical line, are presently among the most important projects in the country. He stated that the projects are possible thanks to cooperation with the USSR, which has sent its best specialists to work on these projects.

The Cuban communications minister stated that the coaxial cable project which was inaugurated today includes 2,179 km of cable across 1,737 km of all types of terrain. He stated that the installation of transmission by coaxial cable will bring Cuba up to the level of developed countries with respect to long-distance communications facilities.

Pedro Guelmes stated that in its first phase of operation the coaxial cable will have a capacity of 1,920 telephone channels and will also be able to transmit one television channel. The communications chief stated that the coaxial cable terminal station in Havana has been completed and the telephone centers in San Cristobal, Ciego de Avila and Camaguey have been completed, with the proper equipment, and that expansion projects are being undertaken in Matanzas and Santa Clara which should be finished before the end of the year.

The first objective of the coaxial cable is to satisfy the telephone, telegraph communication, and long-distance transmission of data needs in our country. At the same time, it will be used as a reserve for one television channel in the new microwave system which was installed recently. The coaxial cable is made up of two conductors, one solid with a small diameter which goes into the other that is hollow, like a tube and surrounds the first in a concentric manner. The name "coaxial" comes from the fact that both cylinders have the same central axis. The whole unit is covered by thick insulation material and then by an outside coating of lead and aluminum. The path of the coaxial cable line is projected primarily along the national highway although in some cases it veers from it and passes near the central highway and other important routes in the country.

BRIEFS

MARTI AIRPORT RECONSTRUCTION--Remodeling work at Jose Marti International Airport was completed in a record time of 23 days with the takeoff a few minutes ago of a Cubana de Aviacion IL-18 on the Havana-Santiago route. The work included repaving of the runway and reconstruction of the air terminal and protocol room. The general remodeling was done to facilitate the arrivals and departures of visitors during the 11th World Youth and Student Festival. However, work has not been concluded yet since an aircraft refueling installation and a new air terminal for international flights are under construction. [Havana Domestic Service in Spanish 1030 GMT 3 May 78 FL]

SUBSCRIPTION INFORMATION

DAILY REPORT volumes are published Monday through Friday in both paper version (mailed daily) and microfiche version (mailed weekly). The annual subscription fee for the paper version within the United States, Canada, and Mexico is $150 for any one volume and $50 for each additional volume. This includes occasional supplements. In microfiche the fee is $100 for any one volume, $125 for two volumes, $150 for three, $200 for four, $250 for five, $300 for six, $350 for seven, and $400 for all eight volumes. Foreign subscriptions outside North America are available from appointed foreign dealers or from NTIS. For information contact NTIS. U.S. government officials may obtain subscriptions at no charge directly from FBIS. Phone 527-2368 (area code 703) or write P.O. Box 2604, Washington, D.C. 20013.

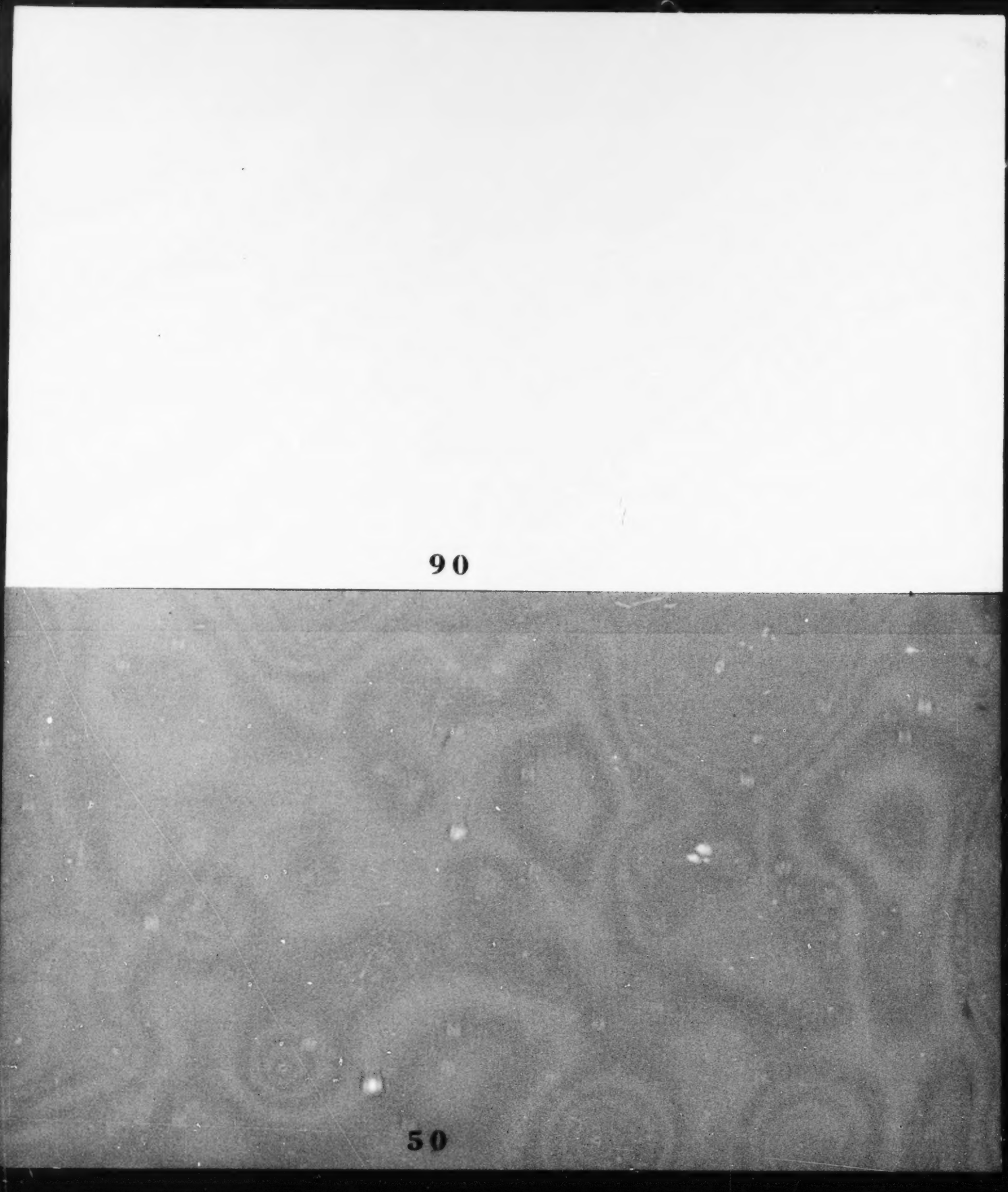
The volumes are: I - People's Republic of China; II - Eastern Europe; III - Soviet Union; IV - Asia & Pacific; V - Middle East & North Africa; VI - Latin America; VII - Western Europe; VIII - Sub-Saharan Africa. Back issues or single copies are not available. Allow 30 days for processing new subscriptions. Mail remittances, inquiries, and address changes to the NTIS address below.

Note: The publications of the Joint Publications Research Service (JPRS), which are sometimes cited in the DAILY REPORT, can also be ordered from NTIS in single copies or by subscription. In ordering, please cite the JPRS title, number, date and author if applicable.

Both the DAILY REPORT and JPRS publications are on file for public reference at the Library of Congress and at public and university libraries throughout the United States.

NTIS

National Technical Information Service
U. S. DEPARTMENT OF COMMERCE
Springfield, Virginia 22151


90
50